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ABSTRACT

This publication is designed to help teachers develop better skills in the teaching of personal and family financial planning and consists of eight chapters: (1) Personal and Family Financial Education: The Need and Structure (C. Raymond Anderson); (2) Development of Self-Concept in Relation to Personal and Family Financial Planning Strategies (Mervin D. Lynch and Melissa Levi Heuston); (3) Roots, Regulations, and Relevance from a Consumer Perspective (Mary Beth Minden); (4) Personal and Family Financial Planning in Social Studies Education (Roger C. Niemeyer); (5) Personal and Family Financial Planning in Home Economics Curriculums (E. Thomas Garman); (6) Financial Planning for Undereducated Adults: A Process Approach (John W. Tibbetts and Dorothy Westby-Gibson); (7) The Community College and Personal and Family Financial Planning (James L. Wattenbarger); and (8) Better Teacher Education Through Personal and Family Financial Planning (Joel L. Burdin). (JD)

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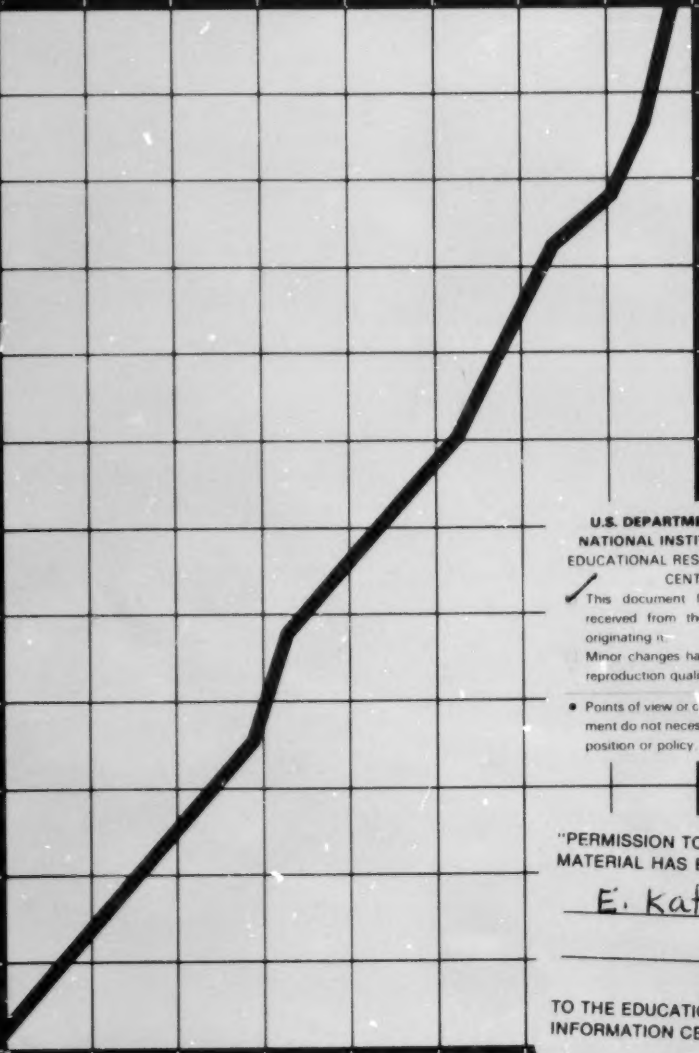

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Financial Planning Education

A Challenge for Teachers, Trainers, and Institutions

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The American Council of Life Insurance is pleased to publish this book as the first in a series of occasional publications exploring personal and family financial planning education—its promise and its practice. The papers included in this book were presented at Council-sponsored Teacher Education Annual Meetings, 1979-82, and were intended to examine issues related to financial planning education and to generate discussion and new ideas.

Publication of this book does not imply Council or Association of Teacher Educators endorsement of the views expressed. The Council and ATE hope, however, that the ideas presented by the contributors will stimulate discussion concerning personal and family financial planning education.

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Foreword

The basic rationale for this publication is clearly an idea whose time has come. When finance, taxation, and the economy become as complicated as they are today, it is time for teachers to know more about planning for their own financial well-being and to use their knowledge in teaching. This publication is designed to address that need by helping the individual teacher develop better skills in the teaching of personal and family financial planning.

Whether a student is planning to enter the job market immediately on graduation or planning to pursue a college career, the basic consideration is essentially the same: how best to assess available assets and how best to use them. To prepare students adequately, the teacher must be well grounded in the necessary skills and knowledgeable regarding personal and family financial planning.

The Association of Teacher Educators, an organization dedicated to the improvement of teaching at all levels, takes great pride in cooperating with the American Council of Life Insurance in making this publication available. We hope that through this effort we can assist the teachers of our nation in their task of helping our young people develop greater skills in personal and family financial planning, for their immediate benefit and for the eventual benefit of our nation.

ROBERT J. STEVENSON
EXECUTIVE DIRECTOR
ASSOCIATION OF TEACHER EDUCATORS

Introduction

Iris M. Elfenbein

The welfare of the family and its individual members is a concern shared by the American Council of Life Insurance (ACLI) and the education community. The close relationship between family stability and financial stability is of special interest. One way in which the Council has manifested its concern is through the support of the Teacher Education Program in personal and family financial planning education.

The ACLI's commitment to personal and family financial planning began more than three decades ago as a response to requests from educators who sought workshops for teachers and materials for students. The Council provided both in order to assist in developing an understanding of financial planning and the place of life and health insurance in such planning. Originally initiated to assist secondary school teachers, the Teacher Education Program has evolved so that today's activities also include inservice education for staff in two- and four-year colleges and adult education centers.

These staff development programs focus on the study of personal and family financial planning, which involves the practical application of economic principles to managing individual and/or family resources at various life stages. Emphasis is placed on planning for obtaining, protecting, and using a wide range of financial resources in relation to anticipated changes in needs and responsibilities throughout the personal and family life span.

Probably now more than ever before during the past 50 years, the public faces severe economic stress. People are confronted with complex family economic problems, including high interest rates, continued inflation, recession, and a rising rate of unemployment. The stress and complexity are further compounded by the availability of an increasingly diverse array of financial products and services, made possible by changes in government regulations and expanding technology. People must learn more about money management and its component parts. Contemporary society requires an informed citizenry able to handle its financial resources and solve financial problems.

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Recent research has indicated that in spite of desire and need, a large portion of the population is woefully incompetent in its money-management skills. This incompetence often results in financial problems. Further, conflict over handling financial resources places a severe strain on family relationships and is one of the major factors in divorce. Currently, half of all American marriages end in divorce. This has generated many household variations that have different needs than traditional households (families) and require new approaches to financial resource management in order to provide economic security. New financial planning knowledge and skills are necessary. Youth, too, are deficient in their knowledge. In a recent national survey of 17-year-olds in public and private schools, a National Assessment of Educational Progress study discovered that many students are short on knowledge of such complicated issues as personal finance and consumer economics, among other topics in consumer education.

Often a part of the school program, financial planning is sometimes included as part of consumer education courses, sometimes included as a component of the basic skills curriculum, sometimes integrated into other subject areas. Certainly knowledge and skill in financial planning and money management are necessary to cope successfully with contemporary life, but often teachers, as well as students, need additional information and skill in this area.

This publication is intended to be a reader for teachers and other staff in secondary schools, community colleges, and adult basic education centers. Chapter 1, "Personal and Family Financial Education: The Need and Structure," by C. Raymond Anderson, explains what personal and family financial planning is and why it is important. Here are listed and discussed the six competencies identified by the ACLI as central objectives of personal and family financial planning education.

In Chapter 2, Mervin D. Lynch and Melissa Levi Heuston argue that there is a correspondence between self-concept and its development or lack of development, and the acquisition and practice of financial planning rules during the adult years. They suggest that good financial planning strategies may play a central role in facilitating the adult's adjustment to the demands and pressures of new stages in his or her life.

"Roots, Regulations, and Relevance: A View from a Consumer Perspective" is Mary Beth Minden's subject in Chapter 3, which explores public policy programs and legislation that have had a major influence on the consumer. Minden describes and analyzes government regulation of consumer issues and suggests that now, more than ever, education must encompass financial planning.

Chapters 4 and 5 treat the relationship between personal and family financial planning and two areas of the curriculum to which it is very closely allied: social studies and home economics. Roger C. Niemeyer

leads with a strong statement of the many potential contributions of personal and family financial planning education to his field, social studies education. He not only presents a rationale for the linkage; he also directs readers to available instructional resources. The overlap with home economics is discussed by Thomas Garman, who then enumerates five methods of introducing more personal and family financial planning into the home economics curriculum.

In Chapters 6, 7, and 8 the contribution of personal and family financial planning education at various educational levels and with various groups is considered. John W. Tibbetts and Dorothy Westby-Gibson's chapter, "Financial Planning for Undereducated Adults: A Process Approach," describes the special needs of adult basic education students for personal and family financial planning education. The authors argue for an approach to curriculum and instruction that accommodates affective as well as cognitive learning styles and focuses on decision-making skills.

James Wattenbarger, in Chapter 7, looks at personal and family financial planning activities in the community college. Starting with that institution's community orientation, Wattenbarger projects community needs in such diverse areas as demography and communications and discusses how the community college might respond to those needs. He concludes with suggestions for incorporating personal and family financial planning into the community college curriculum.

Teachers and teacher education, a third audience and level for personal and family financial planning education, is the subject of Joel Burdin in the closing chapter. Burdin makes the case for infusing both preservice and inservice teacher education with personal and family financial planning content. He argues that, in addition to its importance to youth entering the adult society, personal and family financial planning education has significance for the individual educator. Burdin believes that this subject matter can enhance instruction in many curriculums and indicates how it can relate to other current educational topics.

1

Personal and Family Financial Education: The Need and Structure

C. Raymond Anderson

As individuals and members of families, we are constantly confronted with threats to our financial security—unemployment, inflation, increased taxes, increased living costs, insecure pension programs, major medical expenses, and inevitable ultimate death. We are also confronted with daily maintenance problems such as car repairs, plumbing costs, rent increases, and increased utility costs. On the emotional or psychic side of our existence, we are often tempted to spend money to fulfill an elusive, repressed desire, or we are compelled to "keep up with the Joneses," or we face conflict of priorities among family members, even family breakup.

Where in our education program do we teach people to deal with these aspects of life? The financial well-being of a family is one of the major factors influencing stability, probably second only to the sexual compatibility of mates. Family studies research indicates that financial incompatibility is the second most common cause of marital disruption. Prior to the initiation of health and sex education in the schools, the most frequent source of sex education was said to be talk "on the street"—talk among peers. What is the source of personal financial education? It is still "on the street," based on peer behavior, or family tradition, or historical myth. A very potent source of all learning is family or peer modeling, and the financial practices of many families are poor models. When one models behavior based on limited experience and education, on bias, or on ignorance, real change or improvement does not occur.

Personal and family financial education programs emphasize obtaining, protecting, and using financial resources in ways that contribute to family stability and personal fulfillment throughout the life span. Family financial education focuses on the role of the person in the family and treats the household unit as a consumer, protector, and

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earner of resources. Much of the learner's attention is directed to financial, value-laden, and interpersonal issues related to creating and implementing family financial plans.

The focus is on everyday processes such as identifying values and understanding the basis for them, planning for immediate and long-term goals according to the identified values, prioritizing the goals according to various categories of needs and wants, allocating resources according to the plan, and enjoying the satisfaction of goal attainment.

The process approach to personal and family financial education does not establish a standard and ask for conformity. It does not recommend a set formula to be followed as a spending pattern. It does not address one set of values and prescribe a means for their attainment. It does not provide principles that apply only to a traditional concept of family, nor does it present a set of facts that may not be applicable across time. The approach is based on several beliefs:

1. Our behavior—personal and family financial behavior—reflects our values.

2. Values are translated into goals or expectations.

3. Goals are more likely to be achieved if there is a realistic plan for their attainment.

The process of financial planning applies to persons of any age, any income level, any life-style, and any family size.

The process approach to family financial education is not a package or a course as such, but a learning concept. This concept may be delivered in various ways according to what is feasible in a particular circumstance—for example, with a particular age group, subject area, or grade level.

The substance of personal and family financial education consists of six competencies or terminal goals that have been identified by a panel of educators as the learning field of personal and family financial education. The learner should be able to—

1. analyze personal and family values, goals, and priorities and their relation to decisions in financial planning.

2. provide an income base that draws upon a wide range of financial resources that can be anticipated to change throughout the life span.

3. design a comprehensive personal or family financial plan, using that base, to reflect defined values, goals, and priorities.

4. implement the plan to meet short- and long-term goals by applying principles of effective spending, borrowing, investing, saving, and sharing.

5. evaluate and modify the plan to meet changes in the household

situation (family) and in relation to social and economic conditions.

6. assess all aspects of the plan in terms of potential financial risk in order to provide for protection of resources and wealth.

(American Council of Life Insurance, 1982)

Each competency will be analyzed separately to identify the knowledge, skills, and attitudes that represent possible learning areas within each.

1. Analyze personal and family values, goals, and priorities and their relation to decisions in financial planning.

This area deals with self-awareness—knowing what I need and why, what I want and why I want it. For a family the "I" becomes "we" and the added dimension is, What do we value and how does it relate to the values of each member of the family and the family as a whole?

This area also involves communication skills and interpersonal-relations skills for family members.

It involves knowing how I feel about money and why I feel that way. Are my feelings based on factual knowledge? on my family's model? on peer practice? Are my priorities based on social pressure? on family needs? on family wants? How do current economic conditions affect my goals and priorities? The intent is not to establish basic needs, but to differentiate needs from wants in a particular family setting. There is a significant diversity of needs and wants among various families.

2. Provide an income base that draws upon a wide range of financial resources that can be anticipated to change throughout the life span.

The competency ties into career development, for it assumes there is an income base for the family financial plan. There has to be a match between family goals and priorities and the earning power or potential earning power of the family members. How is the reality of unlimited wants and limited income dealt with? How does your life-style fit with the expectations of persons in your planned-for career? What job-related expenses must have priority in the plan? How does your family achieve balance between earning and spending?

The competency also includes an understanding of changing income patterns and income demands as the family's position changes over time. The stages of the family life cycle are: newlyweds, parenthood with preschool children, parenthood with school-aged children, parenthood with young adults, the empty nest, the middle years, retirement, and the aged single. What are the different financial circumstances applicable to each stage? How can present and future needs be addressed? What alternatives are available? What nonfamily forces function to increase or decrease family buying power, and how do they affect the management of family funds?

3. Design a comprehensive personal or family financial plan, using that base, to reflect defined values, goals, and priorities.

This competency addresses the skills and knowledge needed to establish a spending plan—whether it is a cash-flow budget, a checkbook record, an envelope system, a monthly income-and-expenditure statement, or some other variety of documentation that records the family spending priorities. I propose avoiding the term "budgeting" because many people are turned off to planning if they feel a budget requires writing down every expenditure and justifying each to oneself. There are only four basic categories for a spending plan:

- Net income—take-home pay for most people (you do not really work with gross pay, only with that which is available to you).
- Fixed expenditures—items to which you have made a commitment and that are not variable. Examples: a fixed monthly rent or mortgage payment, an installment-loan contract, utilities, transportation costs, an insurance premium.
- Variable expenditures—items that may represent needs but for which there is not a formal commitment. The monthly amount may vary by your own decisions. Examples: food, clothing, charge-plate purchases.
- Discretionary funds—expenditures that may or may not be necessary on a regular spending basis. Examples: entertainment, charitable giving, purchase of luxury or comfort items.

There are few standard items for these categories. The idea is to plan and categorize according to family values. If a family considers a set amount of monthly savings a top priority, it is a fixed expenditure for that family. Another family may save if there is anything left; savings becomes a discretionary item for that family. We must all spend some money on food, but by our own decisions we can spend less at one time in order to devote funds to another priority, so food then is a variable item.

This competency also includes development of an attitude that money management is worthwhile because of the potential for increased satisfaction. It may have the effect of increasing purchasing power.

4. *Implement the plan to meet short- and long-term goals by applying principles of effective spending, borrowing, investing, saving, and sharing.*

This competency encompasses the whole range of ongoing decisions which one must deal with. Can we make decisions on an intellectual basis according to knowledge of the outcomes or consequences of the decision? Consequences are results; they may be both positive and negative. This competency includes understanding the economic concept of opportunity cost. If you have allocated funds to a particular item, you cannot at the same time allocate the same funds to any other use. The competency also requires knowledge of good buying techniques.

When is it advantageous to borrow? When is a sale a sale? How much security do we really need? What are our priorities for sharing through charitable and religious groups? How can we derive more benefit from tax-supported functions and facilities? This last question addresses available resources that often have no direct costs to us, such as the public library, county recreational facilities, government publications, and other assistance programs.

This area also deals with understandings and attitudes that are part of using a spending plan to meet the priorities of the family. It deals with the realization that your actions with money are expressions of values and goals. Decisions about spending, borrowing, investing, saving, and sharing are seen in a broad sense of both money and personal resources. The area provides for learning about protecting good health, investing in self-development, spending time in particular ways in lieu of spending money. It includes the opportunity for developing a positive attitude toward a spending plan as experience with a plan results in attaining goals and satisfactions.

5. *Evaluate and modify the plan to meet changes in the household situation (family) and in relation to social and economic conditions.*

This area deals with flexibility and adaptability. Many people have the misconception that once you establish a family financial plan, that is it. But values do change. Family circumstances change. Incomes change. Family money management is an ongoing process of review and adjustment. If resources have been well used, changes can be accommodated more readily. When uncontrollable events affect the family finances, the planning/using process provides a vehicle for dealing with the change by delaying or altering priorities. As immediate or short-term goals are achieved, items next in priority come into focus. Some changes in life or in values may result in a change in long-range goals. Evaluating and changing the plan means a systematic look and adjustment rather than frequent adjustments because you have changed your mind.

6. *Assess all aspects of the plan in terms of potential financial risk in order to provide for protection of resources and wealth.*

This competency involves an assessment of the relative importance of the various goals and priorities in relation to income and wealth. Income-earning power is dependent on continuous good health; therefore, life insurance must be considered as a means of providing a continuous income base for the fulfillment of the family financial plan. Health insurance must be seen as a way to protect the family plan against the cost of health care, major medical expenses, and loss of income during illness. There is potential risk of loss of possessions through fire or theft. The financial plan needs to provide some means for replacement of those items. The law also holds the individual

responsible for damage to life or property that is caused by his or her car or that occurs on his or her property. Liability insurance provides a reserve of funds to cover this responsibility. The assessment of the magnitude of the risk in relation to the family's resources and its long-term goals provides a basis for decisions on the extent to which the risk can be tolerated or must be covered financially.

From this overview of possible content areas within the competencies, it is apparent that personal and family financial education is interdisciplinary and comprehensive. There are aspects here of sociology, psychology, family studies, management, finance, economics, and communications.

This is why one approach adopted by some school systems is interdisciplinary—kindergarten through twelfth grade. Teachers at various grade levels capitalize on opportunities to introduce money-management concepts as illustrations, drills, discussion topics, or other activities within the content areas of arithmetic, reading, writing, or social studies. There are many natural spots for including an orientation to family financial planning. This approach requires articulation, and some experiences miss some students, but if the school system is working at it, the orientation to money management permeates the curriculum.

Other schools see personal and family financial education as a natural place for integrating the application of a variety of skills, knowledges, and attitudes into one course. It is generally offered as consumer education, consumer economics, or personal finance. Many of the courses are excellent, but they are usually elective courses that serve a small portion of students.

Also, in secondary schools some personal and family financial education appears in several business and home economics courses, some at the junior high school level and some at the senior high school level. Some social studies or civics teachers believe it is important and devote a unit of study to consumer education or money management.

Several state legislatures have, in various ways, mandated the inclusion of these topics in school curriculums. The language of the legislation varies, such as "each school must offer a course . . ." or "each student must be exposed to . . ." or "each student must be competent in . . ." Oregon's minimum requirements for high school graduation say, "All high school graduates beginning with the class of 1978 shall have instruction in and demonstrate competence as a consumer of goods and services." This has been interpreted to mean that graduates should be able to—

1. function responsibly as wage earners and wage spenders.
2. possess basic tools for financial decisions.
3. possess basic skills and knowledge in the use of credit.

4. make wise decisions in purchasing.
5. function as responsible consumers in the marketplace.

Beyond learning experiences in schools, adults get help in personal and family financial education from home economics extension agents, through courses or one-to-one training and assistance. The Urban League provides educational sessions for certain target groups. Evening schools in continuing education offer consumer education courses, or personal finance courses, or a series of more specialized courses such as budgeting, investing, understanding taxes, or buying a home.

Some corporations and agencies offer training sessions to their employees on managing money. Preretirement training or counseling is the newest version of this practice.

Competence to deal with personal or family finances has not been taught. Some of us work out a system on our own through trial and error; some of us readily admit that we know little and just continue to struggle along. An illustration of struggling along is the case of the family that closes out its checking account each year and opens a new one in another bank because it cannot keep the account in balance.

Another current (and personal) illustration of this lack came to my attention recently when a newly married niece said to me, "We were dating and each of us had our own money. We could do whatever we wanted and went about having a good time. Now we are married and have moved into this house and find that we have assumed a whole set of interactions, commitments, and responsibilities that we had never even considered before." They are not in financial trouble, but their education did not prepare them for this reality of life.

Then a different dimension of the need for financial education came to me from a mature professional educator who recently said, "I've done pretty well over the years, but I sure would like to know if my savings, insurance, investments, and property ownership make any sense. Are they the best I can do in my circumstances? What outcomes can I expect? There is no one source of help or guidance." Can we do anything about an education program that may help in these circumstances?

Just as there is a wide variety of individual and family approaches to the use of family financial resources, there is a wide variety of approaches to preparing citizens for competence as earning and spending economic units. Inasmuch as there is no one specific model for personal and family financial education at the high school level, there is no one natural hierarchical step appropriate to the community college. The community college does have at least two roles as the thirteenth and fourteenth years of an educational continuum—specific preparation for a variety of career opportunities and transfer to

four-year degree programs. Educational activities in personal and family financial education should serve students in both roles.

Beyond that, community colleges are putting increasing emphasis on community service through noncredit course offerings to meet various learning goals of the adult population in the community of the college. I believe, too, that more personal guidance and counseling takes place with the community college student than with students in most four-year institutions. That may say there is a place for financial counseling as a vehicle for learning money management. Just as there is a reading and study skills lab, maybe there should be a personal and family financial planning lab. Self-study modules in a media center might fill the need, or an interdisciplinary team-taught required course would be possible. In another instance noncredit community-service programs may be the best activity for the community college.

Here is another piece of evidence of the confusion that exists in the minds of young people relative to money. Findings from a 1978 Gilbert Youth Organization survey (ACLI, Social Research Services, undated) that sampled 2,284 persons between the ages of 14 and 25 showed these self-awareness paradoxes:

1. Fifty-four percent indicated that money was moderately important or relatively unimportant as against most important or very important. But later in the survey, respondents' two most important considerations in making a career decision were security (26 percent) and good pay (22 percent) as against stimulating and creative work (16 percent) and meaningful challenge (15 percent), and 78 percent identified their life goal as making a lot of money.

2. Eighty-nine percent said they were concerned with their future financial security, but 71 percent said it was very important to enjoy life today because you didn't know what tomorrow would be. Seventy-three percent said if they had surplus money, they would use it for future security. Fifty-six percent said they saved regularly.

3. Seventy-eight percent said they were fairly good at managing money, and 39 percent said they usually did not have any spending plans. Eighty-three percent reported that they had not had a course in money management or financial planning.

These paradoxes would indicate the need for some self-awareness activities and financial education/money-management programs for students in high school and for young persons served by the community college.

There is abundant evidence of the need for personal and family financial education. One concept of a free enterprise economic system in a democratic form of government is an educated people who make the economic system function by the way in which their money votes in the marketplace and make the political system function by the way in

which they vote at the ballot box. The recent emphasis on free access to information is revealing that many actions of government and business are not in the best interest of the consumer. Besides needing consumer advocates, consumer advisory boards, and consumer lobbies, we need educated consumers who know the right questions to ask about finances and who have an informed basis for their personal economic decisions.

Can we do something, as we did with sex education, to bring personal and family financial education in off the street?

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2

Development of Self-Concept in Relation to Personal and Family Financial Planning Strategies

Mervin D. Lynch and Melissa Levi Heuston

Traditionally self-concept has been defined in terms of constructs such as (a) self-esteem, that is, attitudes toward the self (Coopersmith, 1967; Rosenberg, 1965); (b) the empathic or looking-glass self, that is, ourselves as others see us (Cooley, 1922; Mead, 1934); and (c) the idealized or actualized self, that is, ourselves as we would like to be (Maslow, 1954; Rogers, 1951). Such definitions of self-concept assume that self-concept is an affective or emotional feeling that is relatively passive and is the result of a wide range of both positive and negative individual experiences.

The notion of self-concept presented here is consistent with these definitions; however, it incorporates a modified theoretical base. This formulation originated from notions basic to recent information-processing models of cognition holding that all concepts are cognitive variables with affective consequences. This definition stems from the writings of Hull (1920) and Piaget (1926) who characterized concepts as explanatory rules by which a relation between two or more events may be described.

Self-concept is defined as a cognitive variable with affective consequences, a definition that is consistent with information-processing definitions of concepts. Self-concept is a special set of rules for processing information that plays a central regulatory function governing all of information processing and monitoring of sensory input. The self-concept set of rules represents the executive monitor in information processing in a manner suggested by Bruner (1973) and is similar in function to ego-control processes presented in writings by Freud (1923), Hartmann (1964), and Klein (1932).

Some self-concept rules are inborn and are organized to support biological survival. Rules such as equivalence, validation, accommoda-

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tion, assimilation, transformation, efficiency, and identification are likely to be present at birth. These provide the basic set of rules with which an individual carries out increasingly complex operations and develops new and more extensive sets of self-concept rules. An individual acquires additional self-concept rules during movement through developmental stages in childhood, adolescence, and adulthood.

Financial planning strategies are self-concept rules an individual acquires as he or she moves through developmental stages. These rules may be used to achieve independence and stability as well as to achieve desired leisure-time affluence and its products. Such planning strategies will include rules for (a) setting goals and priorities either as an individual or as a member of a family unit, (b) assessing resources pertinent to achieving these goals, (c) designing a financial plan for goal attainment, (d) using such a financial plan to achieve the goals, (e) applying rules for effective buying, borrowing, investing, saving, sharing, and protecting of investments, (f) evaluating plans for meeting changing conditions and changes in one's life-style, and (g) putting forth an effective work effort to obtain the finances with which to reach the goals. The successes an individual experiences in evaluating the validity of his or her financial planning strategies will facilitate growth in self-concept and stimulate adjustment throughout the adult life cycle.

If an individual successfully carries out financial planning strategies appropriate for each level of development, self-concept will be enhanced, particularly that construct of self-concept that is most emphasized at each stage of age-level development. However, if rules for financial planning are not validated, then the applicable construct of self-concept will be devaluated, and this will have negative effects on the individual's entire range of social, business, financial, and personal interactions such as with family, friends, and coworkers, and on the individual's mental health.

Thus, both self-concept and financial planning strategies will develop as the individual proceeds through the adult life cycle, and this development likely will affect how well an individual adjusts and proceeds through the stages of adult development. The purposes of this paper are (a) to present a formulation of self-concept that shows how self-concept likely develops in the stages of adult life, (b) to show how financial planning strategies likely develop at each stage of the adult life cycle, and (c) to show how self-concept rules such as financial planning strategies affect an individual's progress through adult life-cycle stages.

Development of Self-Concept Rules

A brief explanation of self-concept rules acquired in childhood and

adolescence will provide an indication of the types of rules one should expect to find in adult stages of development.

1. Infancy—birth to 18 months: reciprocity rules, visual and motor-skill coordination, linguistic forms of production, temporizing, and combining rules into algorithms.

2. Early childhood—18 months to 6 years: rules for differentiation of body parts and evaluating self-worth; classification rules such as conjunction, disjunction, or relational rules; stage-to-stage transitional rules; discrimination and identification rules.

3. Middle childhood—6 years to 12 years: invariance rules, analytic and relational rules for classification, rules for setting expectations or standards, development of idealized self-image.

4. Adolescence—12 years to 18 years: rules for social interactions, social acceptance, and independence; ego-identity rules; sex-role-orientation rules; and empathic self-judgment rules.

Adult Life-Cycle Stages

The stages of childhood and adolescence are relatively secure life-cycle stages for most individuals. With the exception of those who leave home or are abused in the home, most children are protected in that they have a home and relative financial security.

The security of childhood is disrupted and new self-concept rules are developed as individuals move into adult life-cycle stages. The adult life-cycle stages that will be discussed here are those presented by Levinson (1978) and Sheehy (1977). These stages and the relative age levels are, pulling up roots, 18-22; the "trying twenties," 22-28; passage to the 30s, 28-30; rooting and extending, 30-35; deadline decade, 35-45; and renewal, 45 and over.

Pulling up roots. During ages 18-22, most individuals experience a move toward independence. They leave the protected environment of the family unit and search for independence and personal identity. This is accompanied by feelings of loss of security with both parents and friends. Strong feelings of personal isolation and uncertainty in both social and financial situations are typically exhibited. During this stage the 18- to 22-year-old develops self-concept rules such as those for (a) initiating personal friendships, (b) independent living such as with roommates in college, in the service, or in an independent living unit, (c) interpersonal interaction associated with living in such social units, (d) personal control required for independence, and (e) financial management, which includes establishing financial records, savings programs, and a concept of effective financial planning.

Insecurity and desires for friendships are felt strongly because of the crisis involved in separation from home and family. This is accompanied by extensive rule violations. Individuals tend to violate time rules

in terms of occupational obligations (e.g., they may stay out late on working nights), arrive late for social functions, and overcommit themselves in spending. They also tend to rely on personal abilities and to avoid professional advice. As a result, their decisions are often based on current needs instead of long-range objectives. Although a search for identity is accentuated in both social and financial matters, insecurity with regard to rule validations results in low levels of self-concept.

Fortunately society has established tolerance for individual rule violations during this period, and much that is inexcusable earlier or later in age-level development is attributed at this age to the typical irresponsibility of youth. In a sense, society encourages youthful exploration and is more permissive in its expectations with regard to this age group's violation of rule structures. As a result, although much exploration occurs, the development of self-concept rules in either social or financial transactions during this period is minimal.

Despite society's tolerance for an individual's failure to apply and validate rules at this stage of development, failure to properly manage resources will create problems in the development of rules governing independence. Failures in this regard may force an individual to move back to the security of the family unit, and a whole range of negative experiences may result, most of them related to a negative impact on self-evaluation or the self-worth aspect of self-concept. The failure to develop self-assurance and self-confidence as they are associated with the ability to attain financial independence, may impair an individual's development of appropriate relationships on the job or in social situations and may also impair his or her achievement of emotional stability.

In response to the insecurity inherent in the separation from home and family, there is a strong motivation to develop a new family unit in which both males and females attempt to fulfill personal needs and family-security arrangements that they lost on pulling up roots. Traditionally individuals entering their 20s attempt to establish relationships in work and social situations that will serve both security and personal-identity needs ostensibly for the remainder of the period Sheehy (1977) has labeled the "trying twenties."

The "trying twenties." The 20s represent years of reestablishing the security and personal identity lost during the pulling-up-roots stage. Rules for establishing personal stability are developed either in marriage or on a transient basis. A life plan is developed that is felt to be irreversible and that represents the ideal profile toward which an individual strives. Rules for experimentation and exploration in the social and business worlds become more formalized as the individual attempts to establish a stable social and financial self-concept.

For those individuals who marry and form a family unit, personal fulfillment tends to be subjugated to the needs of the family, and plans

are developed to assure family stability and security. Adults in these family units discover that their own rules for living in a family unit need to be revised and new rules developed for the new family unit. Rules for interacting with children and with the marital partner need to be developed. Personal friendships formed on a premarital basis typically are abandoned. Couples form new relationships based on the new rules developed by the individuals within the unit.

The development of more stable working and interpersonal relationships and the development of a concern about future stability are accompanied by an increasing concern about achieving financial security. Individuals develop and apply rules for achieving security for the family unit. These include providing for child-rearing costs, expanding common goals, developing risk coverage in insurance, and maximizing planning of budgets. There is a pervasive feeling that the financial ideal is attainable and a belief that future endeavors will further secure an individual's ability to attain this ideal.

Today both husbands and wives are likely to be employed, and expenditures of money for developing on the job often conflict with the need to allocate finances for protection against future crises or for future household needs. As a result, most individuals rely on credit, with overcommitted incomes and little allocation of money to savings or emergency funds.

The focus in the 20s is inward, with emphasis on developing the idealized self-image within the nuclear family unit and/or a corporate business unit. Little attention is given to developing rules that will permit the acquisition of personal self-worth. Individual growth in this stage is oriented toward identifying a profile of the idealized person and rules for achieving that ideal. Success on the job tends to create the expectation that self-concept needs will ultimately produce a self-ideal. But failure in the family may lead an individual to believe that a new self-ideal is needed, one that will work for the remainder of the life cycle. There is substantial pressure on the individual to reevaluate his or her self-ideal and an overreliance on the importance of perceived social restrictions and pressures for conformity.

The successful development and application of rules for savings, housing, insurance protection, and later education lead the individual to believe that the rules for achieving the expected ideal may be relied on during future years. The success in social and work activities enables the individual to find a strong sense of goal attainment and self-actualization that is essential for developing stability both in later life crises and in the present stage of self-concept development.

Failure to actualize this ideal either in the family unit or on the job will lead to devaluation of the previous set of self-concept rules for achieving the idealized self-image. An individual may reevaluate the utility of

self-concept rules for achieving the self-ideal or reject his or her job or family unit as a means of achieving the self-ideal. The successful application of rules for productive work is accompanied by pressures on the family unit resulting from financial strain. Such financial strain may lead to marital difficulties, problems on the job, and problems on an interpersonal level. But individuals in their 20s believe they can handle these problems in the present and in the future. However, postponement of testing of self-concept rules for financial planning at this stage may lead to major financial and self-concept problems at a later stage of adult development. Most individuals who successfully test self-concept rules will approach their 30s with the desire to loosen restrictions on their life and within the family unit. Those who have not settled on an ideal self-image or on rules for achieving that image, will still be focusing on arriving at such rules and will maintain a relatively restricted life and relatively poor self-image as they approach their 30s.

Passage to the 30s. The early 30s have been described by Frenkel-Brunswik (1963/1968) as the most productive time period in the lifetime of professional and creative persons. An individual has made a definite choice of vocation even though some individuals begin to reevaluate their marital status. Those who have not been married feel strong social pressures from parents and relations to enter into marriage. The wife who was a mother is now expected to be a companion whereas the husband who was the provider is now expected to increase the time spent in family obligations.

Success in a career moves individuals away from time spent in the family unit and increases the likelihood of family conflict. During this period individuals adjust their economic and social goals to achieve financial security for themselves and their family. Financial planning involves all members of the family unit, and investments are normally made in savings and educational plans. When an individual's rules for financial planning are successful at this stage, both self-worth and the idealized-self aspects of self-concept are actualized.

The passage to the 30s is a stage of individual reevaluation in which persons reassess the adequacy of rules they have routinely applied to meet the ideal pattern. Generally the focus is on reevaluation in which persons reassess the adequacy of rules to the exclusion of other rules, the criteria for evaluation being that set of rules where the greatest discrepancies exist between the actual and the idealized self. Dissatisfaction with partners, with marital status, or with family-unit living experiences is prevalent in this period and leads individuals to focus on rules for family living as opposed to interpersonal or vocational rules. As a result, the development of rules for money management, savings, spending, and planning for risks is largely ignored.

The failure to develop appropriate financial rules during this period will likely result in a host of other problems. Inevitably the individual

will not develop programs to train children in financial planning, will not finance educational costs, and will not provide protection against future catastrophes in terms of savings and insurance. If major medical problems, death, or divorce occurs, individuals will likely experience feelings of meaninglessness and a devaluation of self-worth because their self-concept rules cannot meet their needs. As a result, the individual cannot attain personally desired goals and cannot enhance self-worth.

Rooting and extending. During ages 30-35, life patterns become more routine, and individuals begin to settle down in the full sense. Life is less idealistic, and more pragmatic rules are developed for achieving success. Satisfaction with marriage generally declines during the 30s, and that coincides with an increased emphasis on external social activities. Families make major investments in homes, and adult members are concerned with climbing the career ladder. Persons set timelines for achieving goals. Businessmen who travel extensively have problems with settling down, and this conflicts with the emphasis on developing self-concept rules for achieving stability within the family unit generally acquired during this stage.

Success in financial planning occurs in investments and in acquisition of legal and financial knowledge as well as in investment in children's education. Because this is a career-development period, the focus on self-concept is on one's personal self-worth. Successful investments and application of rules for achieving stability result in increased self-evaluation and self-worth.

Failure in financial planning occurs when investments are not made or inappropriate rules are developed with which to make investments. In some instances individuals rely on their own personal rules and judgments to make investments. Unsuccessful investments may result in negative self-evaluations and low opinions of self-worth. Individuals may blame themselves or project the blame onto their marriage. Whatever the case, failure to properly develop investment rules and to implement a program of savings for the future results in feelings of instability and loss of self-worth.

The deadline decade. Ages 35-45 encompass a period of time in which individuals realize that they are at the end of the personal-growth stage and are beginning to grow old. These are the years of peak productivity in professional work. For those who have been successful, this period is accompanied by a desire to continue developing and make a career switch, based on general boredom or a lack of motivation to continue in the same type of work. For those who have been unsuccessful, it is a time to change to a new career in one last hope of finding job success.

This stage of adult development is often referred to as the mid-life crisis. It is a time when adults once more behave as adolescents and experience the feelings and emotions that were prevalent in adoles-

cence but were suppressed in earlier adult stages, such as selfishness, greed, competition, degradation, jealousy, permissiveness, and self-destruction.

Along with reexperiencing adolescent feelings of high emotional stress, individuals will likely experience an authenticity crisis during this stage. They realize that they are nearing the end of the first half of their life, and there is a desire to live the second half to the maximum level of self-fulfillment. As a result, individuals in this stage may reconstitute their life and change family status, career, and financial plans in an attempt to go beyond the restrictions imposed in the 20s and to fulfill the desires subordinated to family and career needs.

When individuals have achieved high levels of productivity, a sense of stagnation sets in. Success in achieving ideals may be accompanied by a feeling of depression that it may be too late to start a new career or to meet new challenges. Dissatisfaction that accompanies such feelings of stagnation may lead to depression and expression of feelings of hostility in family, social, and work situations.

Success in productivity at this stage results in greater need for financial planning. Nonetheless, attention will more likely be given to the development of rules for fulfillment of personal goals rather than for the family unit. Those who have successfully attended to financial planning will develop financial rules for retirement, household protection, medical needs, and new demands for spending. If individuals do financial planning and successfully apply financial rules, their actions are likely to reinforce the stability of the family unit and thus enhance both self-worth and self-ideals. Successful financial planning will also enable an individual to focus on developing stable social relationships that will carry over into later years. This will result in an enhancement of the empathic aspect of self-concept.

Because of the strong emotional nature of mid-life-crisis experiences, attention tends to be directed toward effecting changes in careers, family units, and friendships and, as was the case in adolescence, toward how one feels others feel about oneself. The emphasis or overemphasis on social acceptance during this crisis period likely will result in a deemphasis on financial planning. Individuals are likely to live on overextended credit and fail to update insurance or investment policies normally required to cover increased costs because of inflation, home improvements, and retirement.

Failure to develop adequate financial plans in earlier stages hits the individual hard, given the heightened emotional state during this stage. This is compounded by events such as the increased likelihood of major medical problems and deaths in the family and the increased need for educational expenditures. As a result, individuals often experience difficulty in developing rules that should have been developed during prior stages. Again, this contributes to the severity of the emotional

crisis experienced by individuals during this period. Persons who do not experience a crisis during this period likely will experience a more severe mid-life crisis in their 50s. Delays in the mid-life-crisis experience can result in postponement of financial planning to more critical ages of 45 or above, when an individual may encounter numerous expenses because of medical and investment problems. This may result in a loss of financial independence and resulting feelings of financial inadequacy and diminished self-confidence and self-worth. It may lead to delays in experiencing development of personal relationships that stimulate growth of the empathic self-concept, and this may affect an individual's relationships with other persons in family and corporate units.

Renewal. Middle age from 45 to 60 generally is accompanied by a reduction and resolution of the emotional expurgations that occur with the mid-life crisis. Those marital partners who stay together through the crisis generally know each other well and have a healthy respect and tolerance for each other's interests. Companionship becomes more important than business and family-unit relationships, and increased self-confidence merges with respectability obtained from success in social and business interactions.

Middle-age persons generally hold more powerful positions, and while productivity stabilizes, economizing rules take over so that decisions are made quickly and efficiently. Individuals who accept their age-level status-given passage through the mid-life crisis are not panicked by threats to their survival, but now are able to focus on more adequate planning for the remainder of their life.

Financial rules need to be developed for consolidating fixed assets, accruing adequate income for retirement, reevaluating housing needs, providing adequate funds for higher education, and establishing estate- and property-transfer plans. Success in such planning will lead to realization of ideals such as an adequate education for children, adequate money with which to obtain leisure goals in retirement, reducing time and money spent on excessive housing needs, and using some of the time formerly spent at work to develop friendships and companions for later years. Success experienced in business and in developing friendships leads to heightened levels of self-worth and empathic self-concept.

Failure to develop appropriate financial rules at this stage will mean that the individual is deterred from developing and applying rules with which to attain power and develop relationships. The individual may be unable to support the higher education of the children in the family unit, and this may lead to dissatisfaction among the children. Inadequate funds for retirement at this stage probably will lead an individual either to work excessively during the 50s and 60s or plan on extending

the working years into the 70s, with an increased likelihood of risks to physical well-being and of death. Thus, while most individuals are enjoying the increased power and affluence of middle age, those who have not planned adequately may experience frustration and feelings of negative self-worth. Failure to achieve leisure-time goals also leads to dissatisfaction with the ideal self and rules for actualization. As a result, individuals often become embittered and hostile toward others who have successfully achieved their goals, resulting in poor social relationships and low empathic self-concepts.

Changes in Life-Cycle Stages

Adult life-cycle stages are not immutable. A number of factors operative in our society are changing both age-level experiences and inputs on financial planning, and this will have marked effects on self-concept. The factors are (a) increases in the number of students dropping out of high school to enter the work force, (b) increases in the number of later marriages, (c) increases in the number of households composed of nonfamily units, (d) increases in the number of one-adult family units, (e) increases in the number of persons living into old age, and (f) increases in inflation.

There has been a dramatic increase since the late 1960s in the number of students dropping out of high school to enter the work force. This has resulted in individuals pulling up roots at such earlier ages as 16 or even 14. Moves by some states to lower the age for sexual consent to 13, for example, implicitly recognize this trend toward children showing independence at younger ages. One may expect an increasing number of children who live away from home while attending high school or even junior high or middle school.

As the pulling-up-roots stage incorporates younger persons, individuals are going to need to initiate planning of financial strategies at increasingly earlier ages. Also, this will mean that the age of relatively unresponsible exploration and the period of experiencing uncertainty and stagnation in self-concept growth will be extended.

Teenagers already are relatively dubious about the ability of existing social institutions to meet their needs, although most still view the family unit as a means of achieving stability. Extending the pulling-up-roots stage of development may aggravate the insecurity problem, resulting in even greater levels of skepticism and doubt as to the validity of the family unit when the individual enters the 20s. Structures such as the society or the family unit provide the major source of self-concept rules, and failure to rely on such institutions probably will result in weak self-concept and relatively meaningless states of existence as postulated by Durkheim (1958).

Delays in getting married may impair an individual's development through the adult life-cycle stages and increase the likelihood that individuals will choose some other form of household unit as a more meaningful life-style. This may lead to the breakdown of existing marital structures.

We need to educate persons to be cognizant of their own life cycles and the types of self-concept rules such as financial and social rules that are needed at each stage. The individual needs to be alerted to the negative consequences for self-fulfillment of the failure to develop and apply such rules. A greater number of persons are living into older years with more time for leisure pursuits. But currently inflation is eating up savings that were to be used for leisure activities and retirement. This situation requires extensive attention to the impact of inflation, on a long-range basis, at an early age. The family unit carries financial planning rules that individuals may internalize as part of their self-concept. However, those who choose alternative life-styles will need to develop new or different rules for personal growth and personal fulfillment. Professionals who advise these individuals will need to be aware of the emerging life-styles.

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3

Roots, Regulations, and Relevance from a Consumer Perspective

Mary Beth Minden

Among primitive peoples the marketplace was simple. If there was something of value owned by both a buyer and a seller, haggling took place, a bargain was struck, and an exchange was made. Little external to the situation affected the deal. The transaction had only a minimal effect on individuals other than the principals and their families. The degree of personal need and anticipated satisfaction influenced the outcome. The setting was simplistic, and the rules of the game were established by the participants. Life experiences and observations provided what education was needed.

Today's Market Setting

The transition from these early bartering patterns, simple economies, and primitive trade routes to today's complex market systems has occurred over many centuries. Changes have taken place in international trade, technologies, and levels of living. Economic theories as well as governments have come and gone. The overriding fact is that today our personal financial affairs and consumer transactions are tied inextricably to government regulation, protection, and intervention. The government/bureaucratic setting that has developed dominates our economy and our personal financial decision making. It has become an ever-present third party to a high proportion of our consumer and industry transactions and has in some instances weakened individual capability to maintain control over personal financial affairs. The "invisible hand" of earlier times has been replaced by a pervading presence that emanates from all government levels—local, state, and federal.

This overview is not intended as a value judgment regarding the role

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of government in trade. The simpler times are past and will not return, and, over time, government action has occurred in an effort to ameliorate problems and devise better situations. However, the increasing trend toward government solutions to marketplace problems serves as a pervading argument for review of content taught and approaches used in family financial management classes. An understanding of government involvement in consumer affairs is essential for both teachers and students, and today the magnitude of the government presence in both personal financial transactions and methods of doing business places a heavy burden on all citizens/consumers and their need to know. Not only have consumer goods and services changed rapidly, but also, beginning in the early 1970s, government actions relative to the marketplace have been in a constant state of flux. The complexities generated by these changes have been ever-present realities in family financial considerations. The scene shifts daily. Additionally, recent government policy has brought an opportunity for citizen/ consumer participation in rule making relative to consumer issues. The citizen/ consumer has now been given an opportunity to influence—as well as be influenced—although to date only limited citizen/consumer participation has occurred.

It follows that the projected citizen/consumer role of the 1980s will be multifaceted. On the one hand, it will require knowledge and capability to focus on self and family and to manage individual financial resources in keeping with personal interests. On the other hand, it will require an understanding of the market setting within which family decision making occurs, a knowledge of the role of government and government actions, and a desire to influence the degree and direction of government involvement in the marketplace. Even now the two roles of citizen and consumer are inseparable insofar as the marketplace is concerned. Many classroom teachers have yet to face this reality.

Consumer Protection and Government Policy

The last decade has brought sweeping changes in the government's role in consumer protection. Federal legislation has been extensive, and in many cases companion state and local statutes have either preceded or followed federal actions. Consumer protection statutes on all levels have led to an outpouring of rules, regulations, and court decisions that have a bearing on individual and family financial transactions. The consumer needs to know both what is involved in a particular directive or piece of legislation and also how it may serve an individual need or purpose.

Agencies that administer consumer legislation and classroom

teachers both have been quick to note the expanded information and education needs of consumers if the legislation is to solve their problems. To date the legislation has snowballed, but with only a low-level effort on the part of federal agencies to provide the education required. Classroom educators have been left to try to resolve the information-education dilemma and to prepare young people to function intelligently as consumers.

Federal Consumer Protection Laws

A 1975 Library of Congress report provides some idea of the magnitude of recent federal consumer protection statutes. The report is a compilation of federal consumer protection laws enacted by Congress over a five-year period—1969-1974. It notes that this period represents the third major wave of consumer protection legislation in this century.

> The first wave began with the early 1900s and the passage of the Pure Food and Drugs Act of 1906 . . . and the Meat Inspection Act of 1907 . . . , and culminated with the Federal Trade Commission Act of 1914. The second wave of consumerism coincided with the New Deal of the 1930s, with the Federal Credit Union Act . . . , the establishment of consumer-related regulatory agencies such as the Securities and Exchange Commission . . . , and the Federal Food, Drug and Cosmetic Act of 1938. . . . The current wave of consumerism began in earnest in 1962, with the issuance of a Consumer Bill of Rights by President John F. Kennedy in the first Presidential message on consumer protection, the appointment of the first Consumer Advisory Council in the Executive Office of the President and the appointment in 1964 of the first Special Assistant to the President for Consumer Affairs, together with the creation of a consumer affairs office in the Executive Office of the President. (p. 1)

Sixty-five consumer protection public laws are listed in the compilation, several having more than one title and one having six titles. These statutes "broke new ground or made substantive changes in previous law" (p. 3). Omitted are appropriations, routine extensions, or previously passed legislation that contained no substantive changes. "What remains—the new laws and amendments—is an impressive array of legislation from the 91st, 92nd and 93rd Congresses, showing the federal government extending the scope of consumer protection" (p. 3).

The report groups 40 of the public laws into six areas:

1. food, drugs, and cosmetics (4)
2. truthful disclosure (9)
3. credit, banking, credit unions, and securities (11)

4. safety (9)
5. motor vehicles (5)
6. consumer education (2).

The last category is interesting in that the analyst making the summary viewed consumer education as a major factor in consumer protection. Nonetheless, only two pieces of legislation specific to education are identified[1]—even though most consumer protection legislation requires an education or information component if the consumer is to be involved. Moreover, the two pieces of legislation are very general in their mandates and include no language tying them to consumer protection legislation. Thus the potential for both omission and proliferation of federal education/information programs and written materials is apparent.

The Library of Congress document further includes "a number of other measures that are not directed primarily at consumer protection . . . [or] impact on consumers in such areas as health care, food, energy, privacy, environment, housing, welfare and antipoverty programs" (p. 2). There are 25 additional federal laws of this type, and, interestingly enough, it is in these fields that federal agencies have moved more forcefully into programs in the consumer's interest.

With 65 cited documents there was a potential of 65 federal agencies or units in which interest and involvement and information or education for the consumer might have been generated. An appendix to the Library of Congress report identifies the federal agencies, governing boards, and departments involved in the administration of the statutes. When cross-referencing is eliminated, 30 government units are listed. This is still a sizable number, from the consumer standpoint.

A second appendix to the report summarizes by topic the subjects of the statutes. There are four-and-a-half pages, single-spaced, of such topics as bankruptcy, banks, billing practices, credit, warranties, credit cards, credit for women, savings and loan institutions, electronic fund transfer, fire prevention, flammable fabrics, household product safety, mobile home safety, motor vehicle equipment standards, mutual funds, securities investor protection, travelers' checks and money orders, truth-in-lending, unordered merchandise, and youth camp safety—to cite just a few. These topics and many more are the substance of personal and family financial planning education.

A current and expanded view of consumer protection legislation is available through the *Consumer Protection Reporting Service* (Rothschild & Carroll, 1977). This two-volume publication provides "a current, gen-

[1]Public Law 93-380 (88 Stat. 484), which established the Office of Consumers' Education in the Office of Education, and Section 205 of Title II, the vocational education provisions of the Education Amendments of 1972, which authorized continued funding for consumer and homemaking education.

eral overview that defines, categorizes and answers the many problems that deal with consumerism for the legal profession, students of law and marketing, consumer agencies, business bureaus and trade associations" (Introduction). It is updated semiannually and is organized into five sections: trade and administrative law on the federal, state, and local levels; how governments administer consumer protection statutes and how statutes can be used by consumer advocates; consumer protection in the executive, legislative, and judicial branches of state governments; growth of consumer protection on the local level; and consumer protection activity in the private sector.

One last point: To read either the public or congressional mind is impossible, but observation might suggest that having experienced a decade of outpouring of consumer legislation, we are now in a period of consolidation and testing. Much is happening within federal agencies vis-a-vis the consumer and the marketplace, though it is not well coordinated.

Public Costs and Consumer Benefits

Educators are not the only group that has felt the impact of government protective legislation and regulations. A recent study conducted by Arthur Andersen & Company (1979) for the Business Roundtable provided an economic analysis of costs incurred in 1977 by 48 companies complying with the regulations of six federal agencies. As a share of the U.S. economy, these companies represented 5 percent of the employment, 8 percent of the consumer sales, and 19 percent of the capital sales. This was the industry sample.

The Andersen study deals with incremental costs to business in fulfilling legislated requirements. It concentrates on the development of a methodology for measuring in dollars the impact of government regulation. Although the motivation for conducting the study stems from business interests, the study itself should be of interest to consumers for three reasons:

- Incremental costs are costs of doing business. They are ultimately paid for by individuals and families as consumers.
- There are government costs to regulation that are paid for by consumers and industry as taxpayers. These include costs in passing the legislation, administrative costs in implementing the statutes and monitoring the regulations, and costs in operating the judicial system in cases of litigation. Although not a part of the Andersen study, these additional costs are also measurable and are factors for consumer consideration.
- Neither the costs to business nor the administrative costs give any indication of what consumers are getting in the way of benefits. To my

knowledge, no similar study is under way to develop comparable figures and a comparable methodology for measuring consumer benefits derived from protection legislation. Even though there are weaknesses in cost-benefit analyses, the benefit side of the equation cannot be ignored.

In the public mind today the probable questions are, What kind of and how many legislated benefits can we afford, and are there less costly methods for achieving consumer protection? There has never been a nationally visible center where questions of this nature might be studied. There has never been a ready pool of financial support for research in the consumer's interest. There are individuals qualified to undertake such efforts, but to date there has been no mechanism for mobilizing talents and giving direction to the research. In fact, it would take a major effort to provide the cross-disciplinary interests and mix of perspectives that are needed. The idea is intriguing—objective research in the consumer's interest. In the meantime, we will probably continue with the marketing and consumer behavior approaches that have dominated the scene and, more often than not, have used rather than served the consumer.

Government Policy and Impact on Families

Teachers of family financial management have a deep-seated concern for families—defined either in the traditional sense or in the context of today's group living. It is most interesting to note that in our Declaration of Independence, Bill of Rights, and Constitution there is no mention of families. Several propositions have been put forth speculating on this nonreference, and in more recent years students of the American family have attempted to assess the importance of this omission. When our American constitutional documents are compared with those of more recent democracies and other cultures, the omission is glaring.

Moreover, there has been no national policy in this country in regard to the family. Our legislated approach has been to develop statutes that were limited to specific family needs and functions, such as food, health, safety, child development, housing, the consumer, welfare, transportation, and other requirements for family living. The family has been the focal point for delivery of government services but has not been viewed as a unit that provides quality of life, nurtures family members, and perpetuates our national future. Rather, our public stance has been that the family will put it all together.

Until recently, questions regarding the condition of the family as an institution of society have not been raised by governing bodies; a public interest in the family has not been on the national agenda. The last

decade, however, has brought some change in this view. In the early 1970s the impact of certain government programs on family life came under scrutiny. Best known may have been the challenges to the "man in the house" rule relative to welfare programs. Other questions dealt with administrative practices that were degrading—that ignored individual pride and integrity. The word "entitlement" crept into discussions regarding programs designed to provide a minimum level of living. Although these examples deal with welfare issues, the questioning of government policy and its effect on families was more broadly based. The discussions were compounded by the fact that most of the federal programs impacting on families were administered on state or local levels, and thus they were subject to a wide range of interpretations and bureaucratic procedures.

Slowly an idea developed—that of studying the impact of government programs on families. The term "family impact" emerged as a spin-off of the environmental impact evaluations required by the Environmental Protection Agency legislation. Family-impact discussions emerged in the early 1970s during Senate hearings. One report states,

> The family impact idea . . . evolved primarily from concerns about the limited success of many well-intentioned, child-focused programs. Individuals and organizations . . . began to realize that the most effective programs are usually those that seek to strengthen families, rather than substitute for them. They became aware . . . of something families have known—and been trying to tell policymakers—for a long time.
>
> (Family Impact Seminar, 1977, p. 4)

The family-impact interest culminated in 1973 during hearings held by the U.S. Senate Subcommittee on Children and Youth, which were entitled "American Families: Trends and Pressures." Walter Mondale, chairman of the subcommittee, who later became Vice President, stated at one point, "We must start by asking to what extent government policies are helping or hurting families" (p. 4).

The hearings concentrated on the rapid changes that now occur both within and to families; the existing public policies that affect the well-being of families, both positively and negatively; and the feasibility of assessing the impact of existing and proposed public policies on families. It was the opinion of the subcommittee that the family-impact issue should be carefully researched and tested before any decision was made to introduce legislation designed to implement the idea.

Research for this purpose was initiated when the Family Impact Seminar was established in February 1976. The small staff is under the direction of A. Sidney Johnson III, who formerly served as staff director of the U.S. Senate Subcommittee on Children and Youth. The project

functions under the auspices of the Institute for Educational Leadership. Support has been from the Foundation for Child Development, Lilly Endowment, Robert Sterling Clark Foundation, and Mary Reynolds Babcock Foundation.

One of the interesting developments within the project—the one relevant to the interests of educators concerned with the economic well-being of families—is the model for establishing family-impact dimensions. Parameters of the model are routine and deal with family characteristics and the immediate contexts within which families live and carry out their family functions. The model identifies socioeconomic characteristics, family structure, and life-cycle stages. The contexts of family life deal with internal family interactions, pluralistic characteristics (ethnic, religious, cultural, etc.), family informal social networks, and the neighborhood environment. By and large these aspects of the model yield the usual descriptive data.

The more interesting parameters of the model focus on family functions that generally have been omitted from public policy considerations. The model includes three groupings: the membership and relationships functions; the economic support and consumer functions; and the socializing and nurturant functions. To date, the seminar has studied three issues, all of which have skirted the consumer function. Here is a golden opportunity for those concerned with financial planning and the economic well-being of American families to bring their interests and talents to bear on the work of the Family Impact Seminar. The seminar is moving toward community-level research that will examine the effect of selected government actions on individuals and families within a community setting. Educators and researchers interested in the economic well-being of families will want to follow the developments of this project.

A Question of Relevance

All professional groups, all fields of study, and most street gangs speak with their own brand of shorthand. When asked what they teach, teachers of family financial planning will respond with such terms as "decision making," "money management," "buymanship," "personal finance," "life insurance," "taxation," "values clarification," "goal setting," and possibly "individual rights and consumer law." But what is really being taught? To the nonprofessional—and especially to students—the teacher's terminology may have little meaning. The challenge is that of making sense out of the students' world, their marketplace, their view of the economy, and their life in a consumer-oriented society. A more subtle challenge is that of making sense out of planning and decision making in a world where more and more factors bearing on a situation are outside the individual's control.

Traditionally teachers of personal and family financial planning have placed a major emphasis on decision making, financial planning, and management of family resources. The premise has been that one can live better with an ordered and self-directed life. In recent decades, however, this belief has been challenged. We have experienced rapid social, technological, and economic change that is counter to a position of stability and self-determination. Social developments would appear to negate the major thrust of family financial planning instruction. Rather than accepting the idea that planning is outdated, however, the intrigue may be to find ways in which students can take a more active part in the direction of their life by understanding change and the external influences that bring it about. A personal commitment to individual and family financial planning within the context of change—both being influenced by and influencing the factors bringing about change—may be the realistic approach to education in individual and family financial planning.

A statement in a recent letter distributed by Common Cause, a citizens' action group, brings this point more clearly into focus: "Runaway inflation [is] shattering the dreams of millions of our citizens, higher-than-ever taxes [are] overburdening our workers, and the constant threat of a crippling energy crisis [is] hanging over our heads." Adults are concerned, uneasy. Youth must face and plan for their future at a time when our resources and economic bases are like shifting sand. Financial planning for the individual must be viewed within the context of both citizen and consumer roles.

The question then becomes one of expanding the field of family financial planning to include the more global picture. Can educators in the field use the term "decision making" to cover fact-finding regarding the world in which we live? Can "buymanship" focus more on economic/government/market conditions and less on product characteristics? Can "financial planning" take an in-depth look at the emerging risks that stem from problems with which society must deal? Can "values clarification" be less closely associated with products and personal possessions and more closely associated with alternative solutions to needs and wants? For example, should we focus less on buying or repairing an automobile and more on alternative modes of transportation? Finally, can "goal setting" be directed toward both an individual/family and a societal purpose?

At the outset, it would appear that educators themselves have both the responsibility and the opportunity to create the suggested forward-looking mix. Neither their past training nor the written materials in the field will be of much help. In 1976 the Office of Consumers' Education, Office of Education, commissioned a study regarding the interface of economic and consumer education (Trujillo, 1977). One finding of that report was that, overall, the materials developed for both teacher and

student use (K-1[illegible]ere stronger in the concept areas of the two fields of study than they were in the application of the concepts—especially as applied to social issues. The study did not find, but it would appear, that any content beyond what was in the written materials would be a matter of the discretion and vision of the teachers.

A Question of Approach

Educators have often voiced the opinion that in teaching personal and family finance the approach must be multidisciplinary. Today's changing world makes this necessary. A multiplicity of understandings is needed even to cope with the elements of change. This is as true of consumer education as of personal and family financial planning—two fields of study so interlocked that it is debatable whether they are not one and the same. A recent report of the Education Commission of the States is useful in that it not only interprets a relationship between the two fields, but it also documents policies and trends relative to personal financial education in the schools in 50 states and the District of Columbia (Alexander, 1979). The report, entitled *State Consumer Education Policy Manual*, compiles and summarizes state statutes and resolutions that give direction to consumer education on the state level. In this manual consumer education is defined as including four content areas: decision making, economics, personal finance, and consumer rights and responsibilities. The manual further states,

> Consumer decision making includes instruction in topics such as attitudes, values, choice-making and needs vs. wants. Economics includes basic economics, free-enterprise and/or consumer economics. Personal finance includes the principles of buymanship and money management. The area of rights and responsibilities includes consumer protection, laws and regulations, consumer redress mechanisms and the responsibilities of consumers in the American economic system. (p. 3)

The personal and family financial education competencies adopted by the American Council of Life Insurance (see Chapter 1) cut across the same general areas. Both interpretations of subject content are interdisciplinary in nature, and if there are differences, they are more a matter of emphasis and scope than a matter of substance. Moreover, the policy manual is of great importance to the field of personal and family finance because it documents the state policies regarding that field of study in the schools of the country, K-14.

The manual includes a summary chart that gives the type of policy reported by states, identifies the agency responsible for implementation of the policy, and notes whether a course is to be taught or whether the content is to be infused into already established courses. Although

the manual suggests that 13 states have no policy, at least two of the 13 states reported that their education agency had taken independent action to implement consumer education in the classroom. Although not a part of this study, there are mandates and directives issued by local school systems relative to consumer education that supplement the state policies.

Thus, the two reports provide insight into the direction of state interests and policies regarding consumer and family financial education. Through statutes, guidelines, or directives about 62 percent of the states included economics content, 56 percent included personal finance, 40 per cent included consumer decision making, and 36 percent included rights and responsibilities. More than one of these topics were reported by a large number of states, and several policy statements included all four.

In summary, this report shows a healthy state of concern for the need to understand our economic system and our financial institutions; for a capability in personal decision making, buying, and financial planning; and for performance of the role of citizen/consumer in relation to the marketplace. Additionally, the main thrust of the state policies would tend to reinforce arguments in favor of interdisciplinary programs. The manual of the Education Commission of the States documents the fact that consumer and family financial planning education has a strong state policy backing.

An additional and most valuable report of the Commission places the policy manual in perspective (Wilhelms, 1979). The publication is entitled *Consumer Education Project: Final Report*. Although it covers some of the same material as the policy manual, the report includes observations and recommendations regarding consumer education in the schools, and revisits the programs of six states—California, Georgia, Hawaii, Illinois, New Jersey, and Ohio—that were studied in depth in 1973. The follow-up reports are insightful in terms of the variety of approaches taken and the fact that there is no one way to sound programs. One of the most interesting parts of the report deals with issues. The questions of organizing for success, special courses, tone, and perspective are discussed. The report is recommended as sound and good reading for both educators and administrators in elementary and secondary school systems.

Today and Tomorrow

Personal and family financial planning education has a strong potential for being more than the sum of its parts. When handled in a global sense, the field can be an interesting and enlightened cutting edge to the future. Or the field can become a narrow, introspective experience for

the student. It depends on how it is taught and what is included.

There are honest restrictions to providing learning experiences in the field. This decade's consumer activist, by questioning the system and exposing unfair practices, is viewed as a threat by many people. This is not the only approach to personal and family financial education, and activism has traditionally been excluded from academic fields of study. However, the subject areas included are intertwined with the economic well-being of students, their parents, neighbors, and community leaders. These same people are merchants, clerks, insurance agents, vendors, and union members. In reality, any community also holds biases and narrow perspectives that educators may not wish to perpetuate. The trick for teachers is to capture the positive elements, know how to place in perspective the more limiting points of view, and be prepared to recognize and handle the differences.

Personal and family financial planning education holds three challenges:

- giving meaning to our economic past
- giving a richness of understanding to today
- giving a positive and analytical edge to the student's view of the future.

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4

Personal and Family Financial Planning in Social Studies Education

Roger C. Niemeyer

A strong and dynamic interaction exists between personal and family financial planning and social studies education. The purpose of this chapter is to define terms, clarify evidence of the interaction, and attempt to extend the relationship.

Definitions will be presented early in an attempt to determine parameters and identify the author's bias in these sometimes controversial areas. Considerably more agreement exists on what personal and family financial planning is than on what constitutes the social studies. Thus, after a brief definition of personal and family financial planning, the focus of social studies education will be treated in greater detail.

Personal and Family Financial Planning

Personal and family financial planning is generally considered to be "planning for obtaining, protecting and using a wide range of financial resources in relation to anticipated changes in needs and responsibilities throughout the personal and family life span" (Elfenbein, 1979, p. 1). Current aspects of interest in personal and family financial planning may well include people shifting from a credit-card economy to a cash basis and modifying their established energy-consumption patterns. Personal and family financial planning content has been frequently limited to home economics and business education classes, though it is compatible with and relates well to current social studies instruction.

The area of personal and family financial planning is much like making New Year's resolutions: Almost everyone thinks personal and family financial planning is important and a great thing to do, but not many people follow through on their plans. The premise of this chapter

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is that social studies education provides a relevant way to make personal and family financial planning an integral part of an individual's life-style, regardless of age or cultural background.

Social Studies and Social Sciences

Limited agreement exists among scholars as to what constitutes the social studies. Beard (1963) stated, "Such is the unity of all things that the first sentence in instruction in the social studies in the schools strikes into a seamless web too large for any human eye" (p. 181). And so it is for few. *The Thesaurus of ERIC Descriptors* (1980) stated, "Social studies consist of adaptations of knowledge from the social sciences for teaching purposes at the elementary and secondary levels of education" (p. 218). ERIC's list of narrow terms for social science includes anthropology, demography, economics, geography, gerontology, history, international studies, political science, sociology, and topography; related terms include area studies, behavioral sciences, ethnic studies, global approach, psychology, social science research, and urban studies. There is an eternal question of whether history should be included in the social sciences. Certainly the list has increased rapidly in recent years. *Defining the Social Studies*, by Barr, Barth, and Shermis (1977), provides a comprehensive, systematic, historical review of varying perceptions of what makes up the social studies.

Social studies definitions are not static because our society is becoming increasingly more complex, partially through expanding technology and our accelerated recognition of society's pluralistic nature. The increased speed and more numerous means of communication are other significant factors in the expanding nature of the social studies.

Even though people may agree on a component of the social studies, they may hold the concept important for significantly different philosophical reasons. For example, citizenship is a commonly recognized goal for the social studies. Some people would consider inquiry a critical characteristic of citizenship (e.g., in a personal and family financial planning sense, questioning whether insurance is a sound form of protection at this time). Others would maintain that citizenship requires holding a body of common, traditional values (e.g., in a personal and family financial planning sense, believing that insurance is a basic, sound form of protection at any time). Thus an element of controversy is present in the very nature of social studies as it is in personal and family financial planning.

Position Statement of the National Council for the Social Studies

To show the expanding, dynamic interaction between personal and family financial planning and social studies education, it seems most appropriate that we review the position statement of the National Council for the Social Studies (NCSS, 1979). The position statement consists of a rationale for social studies education and nine guidelines, with related subpoints and a correlated needs assessment instrument. The document represents the thinking of a select group of classroom teachers and college instructors who are members of the largest organization of social studies educators in the United States.

As we explore, in depth, this basic rationale for social studies education, the relationship to personal and family financial planning becomes increasingly more vivid. The stage is set by this series of quotations from the introduction to the position statement:

> The basic goal of social studies education is to prepare young people to be humane, rational, participating citizens in a world that is becoming increasingly interdependent . . .
>
> Human dignity means equal access to the rights and responsibilities associated with membership in a culture . . .
>
> [Human dignity means] each person should have opportunity to know, to choose, and to act . . .
>
> Whatever students of the social studies learn, should impel them to apply their knowledge, abilities, and commitments toward the improvement of the human condition. (p. 262)

The complementary basic areas of knowledge, abilities, valuing, and social participation, which are treated in the rationale of the position statement, need elaboration.

Knowledge

Over the years schools have been charged in a rather formal, somewhat ritualistic way with passing on knowledge to the youth of society. Within this structure the social studies were generally expected to transmit the knowledge derived from the social sciences. This transferring of wisdom has taken place with varying degrees of effectiveness.

Abilities

The concept of abilities is interpreted broadly to include intellectual, data-processing, and human relations competencies. These allied competencies are clearly germane to personal and family financial planning

and facilitate its incorporation into social studies education. Personal and family financial planning provides the significant content on which the thought process is to focus.

However, it is important to remember that at times the process employed to arrive at the knowledge is as important as the content. Thinking is a skill that can be taught and, once experienced, can more easily be repeated independently by the learner. Thus the task of the social studies educator is to guide students through the thought process at varying levels of cognitive sophistication, from simple memorization through analysis, synthesis, and evaluation.

The range of techniques for teaching the thought process is too vast for this paper to treat, but, among the many, one appears to have great promise. The classic article by the Hoosier educator Shirley Engle, "Decision Making: The Heart of Social Studies Instruction" (1960), stated the case well. Engle wrote, "The social studies are centrally concerned with the education of citizens. The mark of the good citizen is the quality of decisions which he reaches on public and private matters of social concern" (p. 301). He encouraged social studies educators to "emphasize decision making at two levels: at the level of deciding what a group of descriptive data means, how these data may be summarized or generalized, what principles they suggest; and also decision making at the level of policy determination, which requires a synthesis of facts, principles, and values . . . ." (p. 301). This second level is of special importance in personal and family financial planning, where great interplay is present among facts, principles, and especially values.

Further recognition of the importance of the intellectual process of decision making in social studies education is evidenced by the NCSS yearbook, *Developing Decision Making Skills*. In the chapter by Cassidy and Kurfman (1977), a helpful chart (see Table 1) is presented indicating the interrelatedness of stages and phases in the decision-making process.

TABLE 1

STAGES IN THE DECISION-MAKING PROCESS

Facts/Generalizations		Values/Feelings
	Identify Decision Occasions and Alternatives	
	(a) define the decisions to be made	
	(b) identify the goals of the decision maker	
	(c) identify available alternatives	
	Examine and Evaluate Decision Alternatives	
	(a) examine the probable outcomes of each alternative	
	(b) evaluate and rank the alternatives	
	Decide and Reflect on the Decision	
	(a) select an alternative	
	(b) implement the plan of action	
	(c) assess the results of action	
	(d) consider recycling the process	

Source: Edward W. Cassidy and Dana G. Kurfman, "Decision Making as Purpose and Process," in Dana G. Kurfman (Ed.), *Developing Decision-Making Skills* (Washington, D.C.: National Council for the Social Studies, 1977), p. 7. Reprinted with permission from the National Council for the Social Studies. © 1977 by the National Council for the Social Studies.

The authors wisely counsel that decisions are made by humans and seldom follow such a singular line of development, and that the process more accurately represents a series of small decisions that affect each of the following levels of the larger decision-making process. Significantly "facts/generalizations" and "values/feelings" are presented in the borders in an attempt to show that they are available to exert influence in varying degrees at each level of the process. From our own personal and family financial planning experiences in selecting housing, we can easily recall how we drew on facts and allowed values to influence our decisions in varying degrees at different stages of the decision making.

The very words "social" and "studies" imply human interaction and encourage the study of this competency. Human interaction suggests sensitivity to the needs and concerns of others, to communication, and to the ability to cope in periods of conflict and grievance. Opportunities to participate actively on committees or in simulations tend to encourage the development of human relations competencies. The competencies do not effectively evolve from textbook reading but require actual interaction with others. One cannot realistically test one's values in isolation from other people.

Valuing

Valuing is more than an intellectual process in social studies education. People as individuals or in groups hold value positions, and an individual's actions, to a high degree, manifest these value positions. Thus there is no such thing as a value-free social studies classroom, nor should we strive to create one. By their very existence social studies teachers and students generate new values and reflect old ones as they talk about the also-value-laden subject matter and instructional materials of a social studies program. The ideal is an open classroom atmosphere in which teachers and students together are free to express, examine, clarify, and act on their value positions in a social studies context, some of which have a personal and family financial planning orientation.

Here we must refrain from indoctrination, or from imparting a partisan point of view, though we are still expected to teach basic values of our culture through content that encourages human dignity and freedom. At times, because of the pluralistic nature of our society, controversy arises over what constitutes indoctrination and basic values. Some blend or balance between convergent and divergent thinking must be struck.

The NCSS position paper states, "Students need systematic and supportive help in examining differences among other persons and groups and in clarifying the value conflicts within themselves" (p. 265). This clarification becomes easier as individuals become skilled in differ-

entiating between facts and opinions and in understanding that people may make decisions on bases other than facts.

Though the school is only one of the many institutions influencing individuals' valuing and values, it can have significant impact by serving as a model. This model is one in which social studies teachers and students experience and practice decision making, justice, and self-concept building, which lead to an extension and greater appreciation of the concept of human dignity.

Social Participation

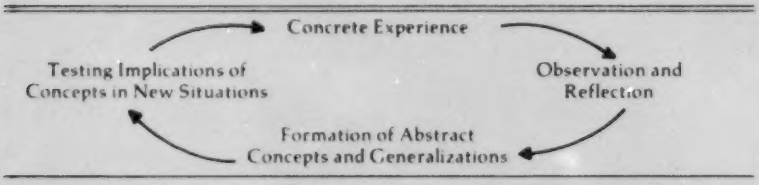
Social participation is a vital and logical component of an effective social studies education program. The NCSS position paper states, "Social participation in a democracy calls for individual behavior guided by the values of human dignity and rationality and directed toward the resolution of problems confronting society" (p. 266). Social participation is also crucial to personal and family financial planning and supports its relationship to social studies education programs. Social participation implies the application of knowledge, thinking, and commitment to a circumstance involving people. Direct, purposeful human interaction evolves. This involvement enhances identification, not only within the individual, but also between the individual and society. A sense of efficacy and an improved self-concept are encouraged.

Social studies education can allow opportunities for social participation in problems oriented to personal and family financial planning. This interface with the real world can take many forms ranging from simple to complex action. Among the levels of participation are observations, surveys, interviews, volunteer service, and campaigning.

The Experiential Learning Model devised by David Kolb (see Table 2) succinctly illustrates one desirable process for structuring and encouraging social participation.

TABLE 2

THE EXPERIENTIAL LEARNING MODEL


Concrete Experience
Observation and Reflection
Formation of Abstract Concepts and Generalizations
Testing Implications of Concepts in New Situations

SOURCE: Arthur W. Chickering, *Experience and Learning: An Introduction to Experiential Learning* (New Rochelle, N.Y.: Change Magazine Press, 1977), p. 17. Reprinted with permission from Change Magazine Press. © 1977 by the Council on Learning, P.O. Box 2023, New Rochelle, New York 10802.

Kolb explained the model this way: "Immediate concrete experience is the basis for observation and reflection. The observations are assimilated into a 'theory' from which new implications for action can be

deduced. These implications or hypotheses then serve as guides interacting to create new experiences" (as quoted in Chickering, p. 18). The four components of this learning model give order to observations and encourage students to use concepts (knowledge) in making decisions and solving problems related to personal and family financial planning.

The above curriculum components—knowledge, abilities, valuing, and social participation—are interrelated and interact. This dynamic interaction creates an impact greater than the total of the parts.

The NCSS position paper clearly states, "Schools—their students, teachers, and communities—have basic responsibility for their own social studies programs" (p. 266). This open posture is democratic, recognizes human dignity, and, to a degree, is generated by the pluralistic, ever-changing nature of our society. Therefore, there is no one best or ideal social studies education program for even a majority of our schools.

This responsibility of schools for their own social studies education programs, with a personal and family financial planning component, constitutes a challenge of some magnitude for many schools. And as we might expect, the challenge of having a comprehensive social studies program is being met with varying degrees of success. The measures of attainment are determined by a variety of factors, primarily awareness, prevailing economic and political climates, and personal commitment. Actually, considerable support and assistance are currently available to schools to meet effectively the challenge of providing a social studies education program with a personal and family financial planning strand. Much of the remainder of this chapter deals with awareness and implementation sources and resources for relating personal and family financial planning and the social studies.

Guidelines

The nine guidelines of the NCSS position paper, and their related subpoints, are a potent initiating factor in such a bridging activity. The nine guidelines are presented here in full to help clarify the concept of the social studies and show the increasing relationship of social studies to personal and family financial planning.

1.0 The Social Studies Program Should Be Directly Related to the Age, Maturity, and Concerns of Students . . .

2.0 The Social Studies Program Should Deal with the Real Social World . . .

3.0 The Social Studies Program Should Draw from Currently Valid Knowledge Representative of Human Experience, Culture, and Beliefs . . .

4.0 Objectives Should Be Thoughtfully Selected and Clearly

Stated in Such Form as to Furnish Direction to the Program . . .

5.0 Learning Activities Should Engage the Student Directly and Actively in the Learning Process . . .

6.0 Strategies of Instruction and Learning Activities Should Rely on a Broad Range of Learning Resources . . .

7.0 The Social Studies Program Must Facilitate the Organization of Experience . . .

8.0 Evaluation Should Be Useful, Systematic, Comprehensive, and Valid for the Objectives of the Program . . .

9.0 Social Studies Education Should Receive Vigorous Support as a Vital and Responsible Part of the School Program.

(pp. 266-273)

These guidelines and the related subpoints are meant as benchmarks against which local school districts may assess their own programs. To encourage that kind of local program analysis, a needs assessment instrument is included in the NCSS position statement.

Early in our history, American schools seemed above reproach by parents and the community at large. Schools provided the keys to upward social and economic movement for the newly arriving immigrants. Life then, including personal and family financial planning as we view it from our vantage point of today, seemed simpler and not so complex—not easier, just perhaps less complex. People did not live as long, worked longer hours, and had fewer attractive distractions.

But our lives have become increasingly more complex for a variety of reasons. Let us briefly review several of the reasons that have a social studies and personal and family financial planning orientation.

We are living longer than our ancestors. We rejoice as years are added to our lives, but we reluctantly, if at all, take responsibility for financing the costs entailed in this significant extension of our life cycle. Some individuals project that the government will take care of them in their old age without realizing they themselves are that government to a great degree and thus they are still responsible. Responsible citizenship is a critical goal in social studies education and in personal and family financial planning.

The number of hours of work required to provide for our basic needs has been greatly reduced even as our perceived basic needs have increased. Diminishing work hours has allowed time for many people to pursue increased leisure and cultural interests. In turn, that requires more, and perhaps more sophisticated, decision making about time and financial allocations during our extended life cycle.

Increased communications have not only greatly enhanced the potential to improve the quality of life, but also in some instances have made life more complicated. In particular, television has expanded the

horizons for many individuals by showing a vast range of life-styles. From this worldwide panoramic display people tend to increase their wants. Wants take many forms, some of which are economic in nature. That brings into play the old economic principle of unlimited wants and limited resources, which is a fundamental concern of social studies education and personal and family financial planning. These wants often are intensified by peer pressure, especially strong among junior and senior high students. This pressure influences what records they buy, what clothes they wear, and what they eat.

Yes, our lives are becoming increasingly more complex. Charges are emerging from parents and students that our schools are not adequately helping young people meet the demands of this different, more challenging, extended life. The protests range from students either skipping or dropping out of school to parents haranguing the administration and school or, more seriously, bringing lawsuits against school districts for not adequately or appropriately teaching the students. Fewer people seem to be garnering a sense of satisfaction or accomplishment from their school experience.

Not only are an increasing number of states becoming aware of such concerns, but they also are attempting to respond to these charges regarding the effectiveness of their schools by establishing a system of accountability related to a series of exit competencies—areas in which students must demonstrate mastery prior to graduation. In a sense, these mastery competencies are a modern-day version of the rites of adulthood of the tribal Native Americans or the walkabout of the Australian aborigine. Some of the states imposing competency requirements are California, Maryland, Florida, Pennsylvania, and Michigan.

Life-Role Competencies

Michigan's Life Role Competencies Project is particularly useful in identifying content as well as in pointing out the positive relationship between the social studies and personal and family financial planning. The project was designed to provide a framework for school districts to review secondary school curriculums, verify student attainment of life-role skills, and investigate ways of improving secondary schools. Fifty people representing various sectors of Michigan's pluralistic society were appointed to identify appropriate secondary school expectations.

The work of the group was based on four premises:

1. Students should have attained competency in the basic skills by the end of grade nine.
2. There exist competencies of a higher order than basic skills proficiency which are necessary to effective adult living.

3. Competencies essential to effective adult living transcend traditional curriculum boundaries.
4. Competencies essential to adult living can be identified.

The group decided to focus on four areas of life roles in its task of identifying and codifying the competencies needed to function well in life. These areas of life roles are:

1. employability and occupational skills
2. personal and family management
3. civic and social responsibilities
4. aesthetic and humanistic appreciation.

A set of 44 life-role competencies considered an appropriate expectation for high school graduates and necessary for effective functioning within the life-role areas was identified. Related component statements and performance objectives added clarity and specificity to the competency statements. According to the introductory statement, "The competencies, components, and performance objectives together portray the scope, depth, and complexity of the adult experience within the four life-role areas" (pp. i-ii). Suggested methods of evaluation are developed for each objective, as is a range of content materials to assist the individual classroom teacher in the instructional process.

To better portray the Michigan model and to illustrate content, the 10 competencies constituting the personal and family management area are presented in Table 3. Selected components, performance objectives, and suggested evaluation methods dealing with personal and family financial planning content are also presented.

Participation in the life-role-competencies program is strictly voluntary for Michigan high schools. However, the Michigan Department of Education has established a Service Area for School Improvement with four full-time staff members assigned to each of the life-role areas. Additional funding will be made available to school districts that attempt to implement the model and that attempt to measure their students according to the life-role competencies.

The life-role-competencies model has not been available to schools long enough to allow much accurate assessment of its effect on schooling, if any. In addition to the apparent surface merits of the suggested content, some incidental learnings warrant comment. The life-role program implies that people play more than one role at a given time. A student is a son, brother, boyfriend, boy scout, part-time worker, and student concurrently, with some roles being dominant at different times during the day while other roles provide background. Dissonance occurs at times. But being aware of these varied concurrent roles may well tend to make the student better able to cope with life's problems, often of a personal and family financial planning nature.

TABLE 3
LIFE-ROLE COMPETENCIES IN PERSONAL AND FAMILY MANAGEMENT

COMPETENCY 1.	Recognize and respond to personal, physical, social, mental, and emotional needs and to those of family members.	
COMPETENCY 2.	Make personal decisions based upon the knowledge of individual strengths and limitations.	
COMPONENT 3.	Demonstrate an ability to evaluate one's options in terms of needs, resources, and skills.	
	PERFORMANCE OBJECTIVE 2.3.7. Evaluate possible options according to personal needs, resources, and skills in order to make a decision.	SUGGESTED EVALUATION 2.3.7. Write about an important decision that you have to make in the near future. Be sure to include the following information. 1. What decision you must make. 2. What decision options are available to you. 3. How each decision option could satisfy your needs. 4. How each decision option could draw on your personal skills and resources.
COMPETENCY 3.	Apply decision-making processes within the family structure.	
COMPONENT 2.	Demonstrate an understanding of the usefulness of establishing family goals.	
	PERFORMANCE OBJECTIVE 3.2.2. Demonstrate an ability to assign priorities to a list of short-range family goals.	SUGGESTED EVALUATION 3.2.2. What are your family's short-range goals, and which ones are most important for the immediate future?
COMPETENCY 4.	Use personal, social, and economic resources to meet individual and family needs.	
COMPETENCY 5.	Apply business-legal procedures to meet individual and family needs.	
COMPONENT 8.	Demonstrate an understanding of the rights and responsibilities of buyer and seller in the marketplace.	
	PERFORMANCE OBJECTIVE 5.8.2. Identify the responsibilities of the consumer in the marketplace.	SUGGESTED EVALUATION 5.8.2. Which of the following is *not* a consumer responsibility in the marketplace? a. Switching price tags. b. Reading all contracts. c. Filling credit applications honestly. d. Paying bills when due.

Thus, personal and family financial planning content makes sense in a life-role context.

Also, the life-roles program helps teachers gain insights into their students as people, people with complex and, at times, conflicting

TABLE 3—*Continued*

COMPETENCY 6.	Recognize and evaluate opportunities for personal growth throughout life.
COMPONENT 4.	Demonstrate an ability to set, implement, and reassess long-range personal goals.
PERFORMANCE OBJECTIVE	SUGGESTED EVALUATION
6.4.3. Demonstrate a knowledge of the factors involved in the reassessment of a long-range goal.	6.4.3. Give an example of an economic factor which could influence a person's choice of a long-range career goal.
COMPETENCY 7.	Apply the knowledge of human growth and development to family living.
COMPONENT 9.	Demonstrate an understanding that change is continuous in personal and family life.
PERFORMANCE OBJECTIVE	SUGGESTED EVALUATION
7.9.5. Analyze two ways in which changes in family structure can affect personal and family life.	7.9.5. John's parents were recently divorced. What changes can he expect to occur in his family life?
COMPETENCY 8.	Understand the relationship between personal values and family structures.
COMPETENCY 9.	Be aware of leisure-time activities which meet individual and family needs.
COMPONENT 2.	Demonstrate the ability to choose the best uses of leisure time according to personal or family needs.
PERFORMANCE OBJECTIVE	SUGGESTED EVALUATION
9.2.2. Analyze the ways in which leisure-time activities fulfill personal or family needs.	9.2.2. Consider the leisure activities in which members of your family participate. Discuss the ways these activities fulfill their personal needs.
COMPETENCY 10.	Be aware of societal factors that influence the individual and the family.

interests. The program aids those with concerns of a greater immediate and intimate nature than can be met by the curriculum currently being taught. The life-roles program encourages teachers to become more humane in their classroom interactions with students, thus improving classroom and school climate.

Consumer Economic Education

Further support for teaching personal and family financial planning in social studies classes, at least in Michigan, is found in the *Consumer Economic Education Guidelines* developed under the auspices of the Michigan Department of Education (CEEG Committee, 1979). The guide-

lines list goals, objectives, suggested learning activities, and resources illustrative of kinds of learnings necessary to meet identified consumer economic needs. The Michigan Department of Education suggests, not mandates, that these learnings be included in curriculum from early childhood through adult education.

Needs identified in the document are as follows:

> Faced with rapid technological change in the marketplace, the education of consumers should no longer be left to chance. Products and services are too numerous and frequently too difficult to evaluate. Our economy is too complex, the pressures of consumer decision-making are too great to be learned without assistance and direction from the schools.
>
> All citizens need to know the basic principle of the U.S. economic system; they should be aware of the interrelated roles of consumers, business, and government in influencing the economic system. In addition, choices made by citizens involve not only economic considerations but also decisions of political, environmental, and social concerns as well. With energy shortages and pollution problems, citizens must analyze their values, career goals, lifestyles, and consumption patterns. Hard questions must be answered about the quality of life and the individual and collective use of limited resources. (p. 2)

Thus it becomes increasingly apparent that personal and family financial planning is one salient and functional feature of consumer economic education and social studies instruction. Indeed, nearly half of the consumer education publication is devoted to the theme of financial management. The related goal statement is, "The student will apply basic principles of sound financial management." The suggested concepts to be studied include budgeting, credit, record keeping, insurance, tax forms, estate planning, earnings, payroll deductions, financial institutions, savings and investments, income use, and checking accounts. Table 4 is a sample page showing two objectives.

The *Consumer Economic Education Guidelines*, richly laden with content related to personal and family financial planning, provide additional academic and pedagogical rationale for the infusion of such content into existing social studies curriculum. Personal and family financial planning provides the leavening for students' studies of the framework of the life cycle, a critical facet of social studies education.

Personal and Family Financial Planning Competencies

The American Council of Life Insurance has generated a useful list of personal and family financial education competencies and generaliza-

TABLE 4
A SAMPLE PAGE FROM MICHIGAN'S CONSUMER ECONOMIC EDUCATION GUIDELINES

OBJECTIVE	SUGGESTED LEARNING ACTIVITIES	ADDITIONAL RESOURCES
9. Using money management references, the student will list the purposes and possible benefits of budgeting. 10. Given a case study including the following information (single person or young couple with one small child, annual income appropriate to the community) the student will set financial goals and develop a record-keeping system which reflects these goals.	1. Discuss such questions as: Why do we need to have a spending plan? What are the advantages and disadvantages of a spending plan? What are the steps in planning a budget? What are the differences and similarities between a family budget and a governmental budget? What does the government do when it is short of funds? Can individuals do the same? Why or why not? 2. Invite a financial counselor (from bank, credit union, social service agency, etc.) to speak about the problems of individuals who fail to establish plans for managing their money. 3. Have students look in textbooks and pamphlets to find a variety of forms and guides to be used in setting up a budget. Compare these forms. What are the items that need to be included in a budget? What are some guides that help an individual in setting up a budget? Have students devise a form that would meet their needs and goals. 4. Discuss the questions: "If five students were given the same allowance, would their budgets be the same?" Why, or why not? 5. Ask students to list the reasons why spending plans include records.	*Put Your Money Where Your Goals Are*—film *Blueprint for Money Management*—multimedia kit *Budgeting*—film *Budgeting*—learning activity package *Money Management*—multimedia kit *Money Tree*—film *Money Talks*—pamphlet *Personal Finance: You and Your Money*—multimedia kit *Reaching Your Financial Goals*—pamphlet

(p. 15)

tions. The competencies, which are presented in Chapter 1, further clarify what is meant by personal and family financial planning.

Teachability

From the various guidelines and lists it becomes readily apparent that not only can personal and family financial planning content be identified, but also considerable agreement exists among several agencies as to what it is. This agreement on content contributes to the teachability of personal and family financial planning.

Briefly, formal teachability means that there is agreement about the content; the content has a mass; select people consider the content important enough to support its inclusion in the school curriculum; it can be divided into components (i.e., concepts); it can usually be taught several different ways to meet learning-style differences; and people find it sufficiently attractive to want to learn it.

The latter criterion may cause some caution in personal and family financial planning instruction. Young people's interest in learning about the full ramifications of life roles and life stages in their life cycles is in effect limited by the relatively restricted range of experiences their years of living and their related maturity have allowed. A reasonable goal is to create an awareness of life cycles and their related components that may well serve as an advance organizer for future experiences and a basis for decision making. Application of the experiential learning model, which includes concrete experience, observation and reflection, formation of concepts and generalizations, and testing implications of concepts in other situations, is especially helpful to youthful learners in processing and learning from their life-cycle experiences. Using the model tends to make students more nearly independent learners and evaluators. Thus, one of the tasks of the school and especially the social studies program is to create life-cycle-laden experiences in personal and family financial planning, to which students may apply the experiential learning model. The model applies to nonformal as well as formal learning environments

The popular book *Passages*, by Sheehy (1977), presents a comprehensive picture of predictable crises of adult life and should be required reading for all personal and family financial planning teachers and interested students. For middle school students the paperback *Walkabout*, by Marshall (1959), will strike a responsive note not only about survival skills but also rites of adulthood. In Michigan, where the age of majority is 18, the ACLI folders, *Adult Financial Management Matrix*, Parts I and II (undated), are extremely helpful life-cycle instructional tools. Part I deals with adult life-cycle financial tasks, common errors, and desirable outcomes. Part II succinctly treats the important personal and family financial planning facet of household structure by age group.

The general task of selecting additional social studies instructional material in personal and family financial planning will be treated later in the chapter.

Social studies teaching allows teachers to employ a vast array of instructional techniques. This range of available techniques is an advantage in helping students garner experiences that make personal and family financial planning content relevant by actively involving them in multisensory learning activities.

Decision making is an integral part of personal and family financial planning and social studies instruction. Decision making is an identifiable thinking skill that can be taught and, once experienced, can be more easily repeated. Not all students are cognizant of what a decision is or cognizant that as individuals they have some major control of how their decisions are formed. They lack a sense of efficacy. Though decision making was treated earlier, there is merit in our reviewing basic or fundamental strategies of thinking about and teaching this crucial component of an effective personal and family financial planning and social studies program.

Experience gained by participating in a "forced choice" situation is helpful for those who lack a clear concept of what a simple decision is. The activity, sometimes called Either/Or, requires participants to stand on either side of a line drawn on the floor. The participant must decide which side to stand on based on the designation that best reflects his or her philosophical posture (e.g., spender vs. saver; live in the city vs. live in the country). Such a simple decision is the first step in learning to cope in more complex situations.

Glasser, in *Reality Therapy* (1965), proposed that clients must decide whether to follow responsible or irresponsible behavior patterns. Deciding to follow responsible patterns tends to make the individual more loving and lovable and generates a feeling of being worthwhile to oneself and to others. Being responsible is rewarding, a basic component of personal and family financial planning. Choosing between responsibility and irresponsibility represents a simple but fundamental and important decision available to teachers and others.

A study of the economic concept of opportunity cost can easily help make students aware of the nature of a decision and the many and varied opportunities for decision making. Opportunity cost is the essence of personal and family financial planning. For youth, opportunity cost applies not only to money, but also to time, food, recordings, and other scarce resources. Being aware of what a decision is and its related costs helps students see value in personal and family financial planning. Social studies instruction is enhanced by this kind of learning.

How the social studies teacher views convergent and divergent thinking may affect students' attitudes toward decision making to a

significant degree. If the teacher seeks convergence on historical dates but honors divergence in students' explanations of why historical events may have taken place, students will be more inclined to explore more original and perhaps more difficult alternatives in decision making that may result in greater productivity or reward for the student. Being psychologically able to explore alternatives is critical to personal and family financial planning and desirable social studies instruction.

Role playing is a teaching technique common to many social studies classrooms that allows students easily and effectively to explore life roles and life stages in a life cycle for personal and family financial planning impact. Role playing compensates for a lack of experiences. The open-ended technique allows the learner to project into the past, other current situations, and the future. Participants can try out their decisions in a safe environment with little risk. Because role plays are easily contrived, they can be focused on very specific personal and family financial planning situations. The technique has the advantages of being less time-consuming and less expensive than simulations.

Instructional Materials

Effective personal and family financial planning instruction in social studies programs tends to require an extensive array of current print and nonprint instructional materials. Traditional texts cannot meet the pace of rapid data change. Because of costs involved, teachers have become increasingly dependent on industry and trade associations to provide them with free or inexpensive instructional materials. This practice is drawing increasingly negative reactions from a variety of sources. A leading spokesperson for this viewpoint is Sheila Harty, who recently published *Hucksters in the Classroom: A Review of Industry Propaganda in Schools* (1979). The study strongly suggests that product name-recognition is encouraged among the young, and this influences not only the purchases of students, but also those of their parents. There may be great economic advantages to the sponsors.

Social studies teachers should be aware of these charges. It is important to bear in mind that there are few perfect personal and family financial planning instructional materials. Imperfect items can become useful instructional tools in the hands of aware teachers who are willing to explore the inadequacy with their students. Controversy can have a constructive impact.

Among the guides designed to help teachers enhance the relevance and quality of their social studies classroom instruction are two that relate directly to personal and family financial planning materials: *The Educator's Guide for Using Business-Sponsored Resources in Consumer Education Classrooms* (Michigan Consumer Education Center, 1978) and *A Guide for*

Evaluating Industry-Sponsored Educational Materials (DuVall & Krepel, 1976). Oftentimes input from a departmental committee is helpful.

Professional Organizations

The NCSS and the Joint Council on Economic Education have a long history of publishing instructional materials, hosting professional meetings, and, in general, encouraging personal and family financial planning in social studies instruction. Of particular note was the National Conference on Needed Research and Development in Pre-College Economic Education, a jointly sponsored endeavor held in 1976. The publication *Perspectives on Economic Education* (Wentworth & Hansen, 1976) has a helpful listing of recommendations for curriculum developers.

Among the special-interest groups of the NCSS is one devoted to economic and consumer education. The group hosts an annual meeting in conjunction with NCSS and publishes a newsletter.

Teachers concerned with implementing personal and family financial planning content in their social studies courses should check with their state libraries to determine what consumer educator groups exist in their state. The Consumer Educators of Michigan holds an excellent content-focused annual meeting and publishes an outstanding quarterly newsletter consisting of articles, conference dates, course offerings, and an informative update on consumer items in Michigan legislation.

Conclusion

It is evident that a treasure of materials, teaching techniques, instructional strategies, and supporting agencies are readily available to classroom teachers interested in introducing or extending personal and family financial planning content in their social studies instruction. However, the most critical element is the classroom teacher, whose interest, involvement, and enthusiasm make the difference. These are the keys to an effective program in social studies education and personal and family financial planning.

Personal and family financial planning and social studies instruction do have a direct, positive correlation. Personal and family financial planning content provides a source of facts for decision making. Decisions help create effective, responsible, responding citizenship—the goal of social studies instruction.

> Build thee more stately mansions, O my soul,
> As the swift seasons roll!
> Leave thy low-vaulted past!

Let each new temple, nobler than the last,
Shut thee from heaven with a dome more vast,
Till thou at length art free,
Leaving thine outgrown shell by life's unresting sea!

—Oliver Wendell Holmes, from *The Chambered Nautilus*

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5

Personal and Family Financial Planning in Home Economics Curriculums

E. Thomas Garman

My, how times have changed! Change is just about the only thing we can truly count on. The decade of the 1960s saw tremendous social changes. The 1970s brought double-digit inflation, a recession, and what we now call stagflation. The decade of the 1980s promises to provide Americans with continued economic turmoil.

The typical single-family home selling for $60,000 in 1980 will cost $622,000 by the year 2000 at a modest inflation rate of eight percent. The truly bad news is that personal incomes are not expected to keep up with such rapid increases in prices.

Personal and Family Financial Planning in the Years Ahead

"Future shock" is already here. It used to be said that prices would increase eightfold over the lifetime of the individual. I have lived but one-half of my expected life and now pay 50 cents for a can of soda pop that used to cost me five cents as a child. And does anybody remember when gasoline was selling for less than 30 cents a gallon? That was a fair price for regular gasoline in 1971. In just a decade we have seen an increase in gasoline prices alone of 400 to 600 percent, that is, assuming prices have not changed since I walked past the gasoline station yesterday.

Let me give you some cold and hard mathematical figures. At an inflation rate of 6 percent, prices will double in 12 years, triple in 19 years, quadruple in 24 years. At a rate of 12 percent, prices will double in only 8 years, triple in 11 years, and quadruple in 14 years. Do you know anyone with a job that will provide a salary increase of 400 percent in 14 years?

The economic situation could get worse, or it could get better. No one

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knows what the future holds, except that change is certain. What are individual Americans supposed to do in the changing years ahead?

Assuming that we do not throw out democracy and embrace socialism—a safe assumption, I hope—we have three choices: (a) let someone else worry about it, (b) cope with rising prices and likely declines in real purchasing power, and (c) make short- and long-term plans to obtain, protect, and use financial resources to provide personal fulfillment and family stability. Choice one is like the ostrich. When trouble seems to be coming, some folks put their head in the sand. Choices two and three provide opportunities for individuals to take charge and control a most important part of their life. In short, personal and family financial planning is needed. Actually this is a point of view or a perspective that lasts a lifetime. And if real incomes do continue to decline, the type of personal and family financial planning will have to change also.

Some Definitions and Rationale

Education is unquestionably the key to personal and family financial planning. In Chapter 1, Anderson defined personal and family financial education this way:

> Personal and family financial education programs emphasize obtaining, protecting, and using financial resources in ways that contribute to family stability and personal fulfillment throughout the life span. Family financial education focuses on the role of the person in the family and treats the household unit as a consumer, protector, and earner of resources. Much of the learner's attention is directed to financial, value-laden, and interpersonal issues related to creating and implementing family financial plans.
>
> The focus is on everyday processes such as identifying values and understanding the basis for them, planning for immediate and long-term goals according to the identified values, prioritizing the goals according to various categories of needs and wants, allocating resources to the plan, and enjoying the satisfaction of goal attainment.

The American Council of Life Insurance has identified six competencies that an individual needs in personal and family financial planning education. These are listed in Chapter 1. The rationale for personal and family financial planning is implicit in the competencies. One who plans to live on spaceship Earth for 20, 40, 60, 80, or 100 years can live a more satisfying life with these competencies. In fact, an argument could be made that if all citizens had such competencies, we would not have the economic problems in America that we do.

Home Economics

Home economics is not just cooking and sewing although much of the public still perceives it that way. Home economics as a profession is a relative newcomer in that it came into existence approximately 100 years ago. The early home economics movement around the turn of the century can be largely credited to the efforts of Ellen H. Richards, who later served as the first president of the American Home Economics Association (Hunt, 1958).

In 1902, home economics was defined as "the study of the laws, conditions, principles and ideals concerned with man's immediate physical environment and his nature as a social being, and specially the relation between those two factors" (Lake Placid Conference, 1902). Through the years home economics has evolved to include the application of applied science, education for women in domestic roles, inductive reasoning primarily through cooking and sewing, and the management of the household. These are broad paintbrush attempts to define a continually evolving field. In actuality the field of home economics involves all of the above generalizations about the profession.

Home Economics Curriculums

Home economics education occurs in the middle school or junior high school, where it is often called homemaking. Subjects such as clothing, food, nutrition, child development, parent-child relationships, and personal hygiene are taught. In senior high schools the same subjects are taught with additional instruction in home management, consumer education, home furnishing, dating and mate selection, and marriage. The emphasis at the senior high school level is on preparing the individual for personal and family responsibilities. However, with the vocational home economics education emphasis there is some preparation for careers.

At the university level the emphasis is on improving home and family life as well as influencing social concerns that affect families. Subareas of home economics include consumer and family economics, management, home management, housing, interior design, equipment, clothing, textiles, nutrition, food service, child development, and family relationships. At every level of home economics in structured curriculums, the emphasis is on a pragmatic approach through which one gains practical knowledge in addition to a better understanding of personal values and attitudes. As a discipline, home economics produces "knowledge that helps people with specific problems" (East, 1980, p. 182). In addition, home economics tries to explain what is going on and to

predict what will happen given specific circumstances. Thus the discipline requires analysis as the "preferred way of thinking" and as the creative process of synthesis (p. 182). Moreover, the unique contribution of home economics as a field of study is an eclectic approach to the family and factors affecting it.

On the secondary school level the efforts of the American Home Economics Association (1967) resulted in a list of concepts and generalizations in the areas of human development and interpersonal relationships, values, and management.

More recently the American Home Economics Association has been recognized as the accrediting agency for college and university programs in the field. All students specialize to some extent; however, there should be strong similarities in the curriculums as indicated in the following criterion and guidelines:

CRITERION

There is a common body of knowledge derived from the general studies component and from specific courses in home economics which provides for a general program in home economics and which is also relevant to each of the areas of specialization. The concepts (common to all programs) include some understanding of: (1) the family in society, (2) human growth and (3) human development and its relation to the family, (4) management of human and material resources, (5) aesthetic qualities in the environment, (6) the influence of science, technology, and consumer economics upon families and family members, and (7) the philosophical base of home economics and the relation of its specialties to the field as a whole.

GUIDELINES

The general studies component meets the requirements of the institution for general studies and shows evidence of adequate preparation in the areas of behavioral and humanistic studies, natural sciences, and communications.

The general studies component provides for an awareness of the political, social, and economic forces in our society and their impact on individuals and families.

The home economics component common to all programs includes emphasis in the following areas:

a. the roles of individuals in the family at all levels of society as they change over time.
b. human growth and development and the needs of individuals of all ages including physical, mental, and emotional development in relation to nutrition.
c. management of personal and family resources in providing

food, clothing, shelter, and emotional support for each individual.

d. the interrelationship of individuals, families, and communities, locally, nationally, and internationally.
e. the functioning of values, thought processes, communications, creativity, and other processes in family development and daily living.
f. the development of an understanding of people, recognition of their various socioeconomic backgrounds, value systems, and their multiplicity of standards of family life.
g. the aesthetic qualities of the environment including elements of basic design and awareness of aesthetic expression in everyday life.

(AHEA, 1971, pp. 12-13)

Home Economics and Personal and Family Financial Planning: We Walk Together

Philosophically, home economics and personal and family financial planning are in strong agreement. Both are involved in teaching values clarification resulting in more satisfying personal and family financial behavior. Values and attitudes similarly are developed into personal goals or expectations, and both realize the importance of realistic planning to achieve goals.

Further, a dominant thread of both home economics and personal and family financial planning is a life-cycle approach. It should be increasingly clear that there is much overlap between home economics and personal and family financial planning. In Virginia, as in most other states, a detailed curriculum guide in home economics for the public schools is available and widely used (*Guide for Consumer and Homemaking Education*, undated). The four broad areas in the curriculum include consumption of goods and services, cultural development in the family, individual development in the family, and management in the family. Examination of Table 1, Virginia's Consumer and Homemaking Education Program, Grades Six-Twelve, quickly reveals numerous areas of overlap between home economics and personal and family financial planning.

The foregoing is not to suggest that all of home economics is just consumer and homemaking education. As noted earlier, the discipline is much broader. It should be noted, though, that the 1968 Amendments to the Vocational Education Act of 1963 included a Section F entitled Consumer and Homemaking Education. As a consequence of the legislation and subsequent financial appropriations, home econom-

TABLE 1
CONSUMER AND HOMEMAKING EDUCATION PROGRAM, GRADES SIX-TWELVE

	CONSUMPTION OF GOODS AND SERVICES	CULTURAL DEVELOPMENT IN THE FAMILY
Sixth Grade	Unit: Youth and Money	Unit: The Young Generation and Culture
	Youth as Owners Youth as Spenders Youth as Managers	Influences on Youth Influences of Culture on Conduct Beauty and Culture
Seventh Grade	Unit: Youth and Spending	Unit: Today's Teenagers and Culture
	Meaning of Money Use of Money for a Purchase The Market Place	Teenage Customs Youth in Society
Year I	Unit: The Young Consumer in the Home	Unit: Cultural Influences on the Individual
	Consumer Resources Consumer Planning and Decisions Consumer Privileges and Responsibilities	One's Heritage Cultural Influences
Year II	Unit: Family Living and Money	Unit: Cultural Enrichment
	Family Financial Management Consumer Credit Family Financial Protection	Gracious Living Beauty in Surroundings Leisure
Year III	Unit: Family Consumer Responsibility	Unit: Cultural Influences on Family Living
	Responsible Consumer-Homemaker Responsible Consumer-Citizen	Culture and Family Culture and Community
Family Living	Unit: Family Money Management	Unit: Cultural Environment
	The Family and the Budget Homemakers and the Market Place Homemakers and Credit Homemakers as Consumer-Citizens	Cultural Heritage Cultural Forces Beauty in Surroundings Hospitality and Graciousness

TABLE 1—*Continued*

	INDIVIDUAL DEVELOPMENT IN THE FAMILY	MANAGEMENT IN THE FAMILY
Sixth Grade	Unit: Personal Potential	Unit: Personal Management—Orderliness
	Being Likable Grooming and Dress Entertaining Education	Management for Orderliness Rewards of Orderliness
Seventh Grade	Unit: Toward Maturity	Unit: Personal Management—Organization
	Responsible Behavior Respect for Self Development of Interests Regard for Property	Planning Decisions Satisfactions
Year I	Unit: Growth of Individuals in the Home	Unit: Management of Personal Resources
	Uniqueness of Individuals Facets of Growth and Development	Elements of Management Skills and Abilities in Management
Year II	Unit: Family Influences and Responsibilities	Unit: Management of Family Resources
	Responsibilities of Families Qualities of Family Membership The Child in the Family	Space Management Work Simplification Physiological Considerations Psychological Considerations
Year III	Unit: Readiness for Marriage and Parenthood	Unit: Management for the Young Family
	Concepts of Marriage Readiness for Marriage Stability in Marriage Parenthood	Satisfactions Resourcefulness Homemaking Responsibilities
Family Living	Unit: Marriage and Family	Unit: Management in Homemaking
	Importance of the Family Perceptions of Marriage Marriage Preparedness Being a Parent	Understanding Management Functional Work Procedure Psychological Satisfactions Managerial Resources Managerial Abilities

(pp. x-xi)

ics programs continue to be two-pronged. One emphasis is preparation for homemaking; the other is preparation for wage earning. The legislation provided a strong impetus to teach consumer education. The examples from the Virginia guidelines are illustrative of the curriculum emphasis that has been adopted in all 50 states.

The Need for Personal and Family Financial Planning in Home Economics

The Adult Functional Competency Study in 1975 reported the dismal news of the competencies of Americans in consumer economics: "Some 34.7 million adult Americans function with difficulty and an additional 39 million are functional (but not proficient) in coping with basic requirements that are related to consumer economics"; further, among all competency areas examined, "the greatest area of difficulty appears to be consumer economics" (Northcutt, 1975, p. 6). The study, conducted for the U.S. Office of Education, concluded that almost two-thirds of the adult population is functionally inadequate in consumer economics. Remember, these are adults.

A lack of basic knowledge for functioning in the marketplace was found in yet another study, the National Assessment of Educational Progress, in which only 16 percent of the adults could balance their checkbook (Ahmann, 1975). Another part of the study found that the mathematical ability of American consumers is shockingly poor. The study questioned, "Are we satisfied with American consumer-mathematic ability in light of the fact that 45 percent of the adults did not read a federal income tax form correctly, and under half of the population at ages 17 and adult successfully determined the most economical package size on two cost-comparison exercises?" (p. 6). These unfortunate findings underscore the failure of the educational system in the past to provide consumers of education with the most fundamental aspects of being better buyers of goods and services. It is clear that little or no planning occurs with a significantly large number of the population.

Young adults were the focus of a 1979 study by the same organization (*Teenage Consumers*, 1979). Again the results suggested little knowledge about personal finance matters or protection information. Consider, for example, the following responses to statements about health insurance. Of the 17-year-olds surveyed, 37 percent "mistakenly believed that a person is adequately protected if he or she has an insurance policy that pays for fifty percent of the total cost of any illness or accident requiring medical treatment; 18 percent of the students responded 'I don't know' to this statement" (p. 20). Further, more than half responded incorrectly or "I don't know" to the statement, "Health

insurance policies are always automatically renewable from year to year" (p. 22). About half responded incorrectly or "I don't know" to the statement, "Group health insurance plans are usually more expensive than individual health insurance plans." Almost one-half did not know that "persons on fixed incomes are most likely to be hurt financially during a period of inflation" (p. 1).

The American Council of Life Insurance reported in its latest survey of young people aged 14-25 that "thirty-nine percent [of those polled] say they have no spending plans" (ACLI, Social Research Services, undated, p. 17).

Will things ever get better? Yes! A groundswell of interest in personal and family financial planning has been sweeping the nation among young people as well as adults. The American Council's study, *Youth 78*, found that "sixty percent of young people agree that everyone should be required to take a course in how to manage money" (p. 19). The study *Consumerism at the Crossroads* (1977), commissioned by the Sentry Insurance Company, reported that among adults "92 percent of the public believed that consumer affairs should be a compulsory subject in all high schools" (p. iv). The mandate for more effective education is apparent.

In 1960, about one-half of the girls enrolled in secondary school were taking courses in home economics (Coon, 1962). Today,

> home economics is taught in 90 percent of the secondary schools of the United States, in about one-third of the four-year colleges, in many community and junior colleges, and in most vocational-technical schools. It is included in most of the adult education programs offered through the auspices of the public school systems. It forms a large part of the Extension Service of the United States Department of Agriculture. It exists, then, as a recognizable subject in most parts of the educational enterprise.
>
> (East, 1980, pp. 1-2)

With well over 100,000 home economists in the country, and approximately two-thirds of them in public education, the profession of home economics stands ready to continue its resolve to improve the quality of life for all Americans through better personal and family financial planning.

How to Get Better Personal and Family Financial Planning into Home Economics Curriculums

It seems that personal and family financial planning is an important topic. It is also apparent that potentially declining real incomes will

require some changes in our perceptions of what is personal and family financial planning. The rationale for personal and family financial planning is strong enough to suggest that all Americans strengthen their understanding in this area. Given the philosophical overlap between home economics curriculums and personal and family financial planning, efforts need to be strengthened to better implement personal and family financial planning in home economics curriculums. At least five methods are possible.

1. *Integrate personal and family financial planning into courses that are readily adaptable.* Secondary school seniors in home economics study marriage and the family. It would be easy to integrate personal and family financial planning into that curriculum with the focus being to "evaluate and modify the [family financial] plan to meet changes in the household situation (family) and in relation to social and economic conditions." Juniors or seniors in secondary school home economics classes typically study management for the young family. It seems natural enough to focus some of the educational efforts to "provide an income base that draws upon a wide range of financial resources that can be anticipated to change throughout the life span." On the college and university level, home economics students almost invariably take a course entitled Family Finance. Almost everything that occurs in such a class involves personal and family financial planning, and particular efforts are made to help students learn to apply "principles of effective spending, borrowing, investing, saving, and sharing" in both immediate and long-term decisions. College- and university-level students also take a course in consumer education. Here many current issues facing individuals and families, such as antitrust laws and insurance, Federal Trade Commission involvements in insurance, cost disclosure of life insurance, and the quality of pension plans ("Looking Ahead to 1980," 1980), can be taught so that the student will be able to "evaluate and modify the [family financial] plan to meet changes in the household situation (family) and in relation to social and economic conditions."

2. *Integrate personal and family financial planning into courses that are less adaptable.* In many secondary schools a senior-level course called Bachelor Living or On Your Own or Singles Living is taught and available to all students, most often to males (although classes enrolling both sexes are popular too). Typically the concepts taught are those that we might call "survivor skills," that is, some fundamentals about buying, cooking, and sewing. Although I do not wish to detract from such topics in these classes, the students should also be able to look at financial plans of others as a means "to reflect defined values, goals, and priorities." It should not be too difficult to treat this particular educational focus for single persons as well as young marrieds, because for these students secondary school graduation will carry with it numerous personal and

family financial planning decisions. Secondary school students in home economics also traditionally have a course in meal management. Although the emphasis is on planning, buying, and preparing meals, a careful examination of the concept of human capital would be quite relevant. The homemaker is unquestionably a producer in our society, even though his or her efforts do not show up in the gross national product. Without too much effort students should be able to study how to "provide an income base that draws upon a wide range of financial resources that can be anticipated to change throughout the life span." On the college and university level a course or two in human sexual development is frequently required of home economics majors for graduation. With the various changes in the life cycle already being taught, students could also learn to assess "a wide range of financial resources that can be anticipated to change throughout the life span." Courses in human nutrition and food are also required on the college and university level. After attaining some understanding of the impact of carbohydrates and fats on the body, in addition to possible carcinogens, many students will establish some personal priorities. Toward the end of such a program of study the financial plan could be used "to reflect defined values, goals, and priorities."

3. *Team-teach or turn-teach specific courses.* On the secondary school level almost all home economics programs include a strong emphasis on consumer education. On the college and university level a course in consumer education as well as one in family finance is often required. One could argue about the degree of preparedness of home economists for teaching all of the topics suggested in personal and family financial planning. Judging home economics teachers against a variety of criteria suggests that most of them are not as well versed as some fellow teachers are in the topics of investing, saving, and protecting. Should this be the case, it seems quite natural for teachers in secondary schools to team-teach (both teachers in the classroom at the same time effecting learning) or turn-teach (one teacher in the classroom at a time taking a turn teaching the subject matter). Home economics teachers could call on their fellow teachers in business and social studies for such assistance. On the college and university level more institutional barriers often exist to team-teaching or turn-teaching. However, in a class in family finance, if the teacher desires to do an effective job of instructing students in the area of insurance, for example, a business teacher may be more qualified and could be called on for assistance.

4. *Teach a special course in personal and family financial planning.* For more than 20 years Indiana State University, the University of Oklahoma, and other institutions of higher education have taught special courses for teachers in personal and family financial planning. Such courses have typically been taught during summer workshops. In spring 1979,

for the first time, Virginia Polytechnic Institute and State University offered a course entitled Personal and Family Financial Problems, taught by Professor Kristin Kline. Similar courses are available at Purdue University and the University of Wisconsin at Madison. On the secondary school level special courses that focus on personal and family financial planning have been growing in number. Such courses are oriented toward family finance concepts but often are misnamed Consumer Economics.

The first four suggestions regarding integrating personal and family financial planning into home economics curriculums dealt with the formal school setting. In the field of home economics numerous opportunities for teaching personal and family financial planning concepts exist. In every state there is at least one land-grant college or university that employs well-trained specialists in family finance and consumer education. In addition, numerous extension agents are in every county of the United States with a responsibility to effect better personal and family financial planning among citizens. A variety of adult education efforts occur in personal and family financial planning too. Even though the thrust of this chapter is home economics curriculums, out-of-school efforts must be cited. Of the nation's 220 million Americans, only 60 million are in formal education programs. Thus, a fifth suggestion follows.

5. *Provide the format, the coordination, and some of the expertise for seminars on personal and family financial planning.* The suggestion being made here is not to bring in a guest speaker. Rather, why can't home economics teachers, extension agents, and insurance brokers or agents work together to put on seminars for various audiences? A team approach could be used effectively to reach teachers, students, parents, people in selected large businesses, and adults in the community. There are other audiences, to be sure. Thus, to be more effective in improving personal and family financial planning among the citizenry, we must go beyond the traditional four-wall, contained-classroom approach—and into adult home economics curriculums.

Some Closing Comments About the Life Cycle

The field of home economics has always taken a life-cycle approach to teaching many concepts and generalizations. In fact, the life cycle is at the heart of many of our courses of instruction. For example, a course in management invariably includes making decisions, communicating, using feedback, setting goals, planning, implementing goals and plans, and examining the results of family management—all from the life-cycle perspective. Such courses always have a thorough analysis of values, an analysis of outside events affecting the individual or family,

and an examination of the variety of resources available.

The American Council of Life Insurance (undated) has developed two matrixes dealing with personal and family financial planning and the life cycle. Recently Stampfl (1979) made a contribution to perceiving the family life cycle better. He concluded that there has been too great an emphasis on "couplehood" in examining the family life cycle; we have ignored "remaining periods and common life cycle pathways with potential multiple movements between singlehood and couplehood" (p. 27). With divorce and death, as well as by personal choice, millions of Americans move in and out of singlehood and couplehood in the course of their life. Surely those of us in personal and family financial planning can strengthen our efforts to understand these periods of transition better and provide more useful and more appropriate personal and family financial planning educational experiences.

Moreover, many people out there claim to be teaching or providing information about some aspects of personal and family financial planning. The range of those involved goes from economists to business teachers to home economics professionals to insurance agents. Such a fragmented approach resembles a personal and family financial planning "pot" with a couple dozen spoons all stirring in different directions at the same time. Is this the best approach? I suggest not. Let us get some coordination and continuity.

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6

Financial Planning for Undereducated Adults: A Process Approach

John W. Tibbetts and Dorothy Westby-Gibson

The complexities and pressures of modern life affect everyone, but they especially penalize those whose income allows no room for error. More than anyone, low-income adults need to know how to get the most for their dollars and to know what options, if any, are available.

Adult Basic Education Students

Adult basic education (ABE) offers our least-educated adults the opportunity to complete their elementary or secondary school education. In 1976, public ABE programs served 3,371,265 persons in the United States (National Advisory Council on Adult Education, 1977).

That the largest numbers of ABE students were found in California, Florida, Massachusetts, New York, and Texas is not surprising, for these are five of the six states with the largest numbers of language-minority persons. The other is Illinois.

ABE programs primarily serve those for whom English is a second language (ESL). Since 1976, large numbers of immigrants from Mexico, Latin and South America, Southeast Asia, the Near East, and elsewhere have contributed greatly to potential enrollments in ESL classes. Many districts are finding it difficult to meet this unprecedented demand, but some additional categorical funding for such groups as refugees has been made available to assist states facing these problems.

Native speakers, as well as nonnative ones, use ABE classes to improve their basic skills in elementary and high school subjects and to learn everyday life skills for home, work, or community; but they constitute a smaller proportion of those enrolled than do the nonnative speakers. ABE classes serve a disproportionate number of ethnic minority members. Blacks especially seem overrepresented when their

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representation is compared with their representation in the population as a whole. In 1971, one out of three ABE students was Black—three times the proportion of Blacks in the U.S. population. States, of course, vary widely in their registration of potential ABE students. Texas with fewer Blacks than California enrolls three times as many in ABE classes; Florida registers more Blacks than whites (National Advisory Council on Adult Education, 1974).

In actual numbers, however, the picture is different. Between 1969 and 1975 Blacks increased their participation in ABE at a rate only one-third of their increase in the population. During the same time whites increased their ABE enrollments at three times the rate of their population increase (Rosenthal, 1976, p. 140). It must be noted that the U.S. Census did not report persons of Hispanic origin before 1970; technically they were classified as whites, being ethnically but not racially distinct from whites. Asians were registered in ABE at seven times their national proportion and Native Americans at four times (National Advisory Council on Adult Education, 1974).

More students in federal ABE programs are to be found at advanced (grades 7-9) than at intermediate (4-6) or beginning (1-3) levels. States vary greatly in the levels they serve most, but the highest levels are usually the best served.

The myth that welfare recipients are unlikely candidates for ABE is dispelled when it is reported that in most states adults on welfare enroll in ABE in higher proportions than they are represented in the population at large. Yet states with high numbers of welfare recipients do not necessarily have a high percentage of them enrolled in ABE. It does seem clear, however, that ABE is one important route to reducing welfare lists and increasing employment.

As the National Advisory Council on Adult Education's 1974 report stated, "In recent time, crime in America has become a much more emotional issue than poverty" (p. 60). In federal prisons, one in five persons is functionally illiterate; 96 percent have not completed high school. States have made special efforts to reach institutionalized populations. One in 14 ABE registrants in 1971 was incarcerated.

States have also emphasized reaching young adults. In 1966 about one in seven ABE enrollees was between the ages of 18 and 24; by 1971 this number had increased to one in three. Thus 18-24 became the predominant age group in ABE programs. One reason is probably the strong emphasis on developing job skills; another is the increasing acceptance of adult school as a sound alternative for the high school dropout.

More women than men enroll in ABE; in 1971 the proportion was 11 to 9, which also reflects the larger number of women than men in our society. Another reason for the sex disparity in enrollments is probably

the differential between women and men in the labor force. Interestingly enough, more Black women than men enroll in ABE, mostly in central cities.

One elusive group in ABE is the migrant worker. Figures on migrants are not realistic, especially for aliens, but it appears that very few are served by ABE programs. Another underserved group is the elderly.

Who, then, are likely to be students in ABE classes?

- undereducated adults who live in California, Florida, Massachusetts, New York, and Texas
- language-minority persons
- whites when Hispanics are included in this category
- adults at grade levels 7 and 8
- welfare recipients
- inmates of correctional institutions
- women
- young adults between the ages of 18 and 24.

Needs of ABE Students for Personal and Family Financial Planning

Most in need of help in the area of money management are probably adults from such special groups as low-income, single-parent, immigrant, and elderly. About one-third of those who make up these groups are Blacks or Hispanic. Many are caught in a vicious cycle: An inadequate income results in poverty, poor health, and little education, which lead back to low income. This legacy of poverty is passed from one generation to the next.[1]

What are some of the special needs that educators might help remedy? Perhaps the primary need is to survive in an inflationary credit economy. If the United States should suffer a serious recession or even a depression, economists warn us it is more likely to be caused by overindebtedness and the inability to pay debts than by stock market speculation and a crash as experienced in the late 1920s and early '30s.

Today's burgeoning consumer debt is the result of excessive and often unwise use of credit. Poor knowledge of credit, an increasingly complex society, and an economy troubled by inflation and recession present insurmountable obstacles to many low-income, undereducated adults. New approaches must be employed in attempting to provide the type of help most needed to improve the quality of life for

[1]Appreciation is expressed to Catherine Pietruszewski, whose master's degree field study, *Bases for Developing an Adult Teaching Handbook in Family Finance Management* (San Francisco State University, January 1980), served as a data resource for portions of this chapter.

these individuals.

Especially vulnerable are one-parent families, headed almost exclusively by women, who often carry the triple handicap of child-care costs, lack of marketplace skills, and job discrimination. If the one-parent family is headed by a Black woman, she bears the additional burden of racial discrimination. Black leaders maintain that much of the blame rests with urban public schools. Thousands of Blacks have graduated as functional illiterates unable to complete a job application or read. In addition, Black young adults are confronting increasing job competition from women and illegal immigrants. The illegal immigrants are often preferred by employers because they "work hard and scared." Complicating this situation even further is the fact that many industries that formerly hired large numbers of low-skilled workers have either become automated or have relocated abroad where labor is cheaper ("Young Bl[illegible]s," 1977).

A study by Harri[illegible] Presser of unwed mothers in New York City revealed that nearly two-thirds had no high school diploma and only 40 percent had any work experience. As a result, only 50 percent got even a temporary job during the first four years of motherhood ("Rising Concern," 1978). In Los Angeles County, 37,000 of 176,000 female-headed families receiving welfare were second-generation recipients with many being young mothers who had never seen their own mothers or fathers work ("America's War," 1979).

A clear need is in the areas of career counseling, job training, and basic literacy. Many recommend that young adults especially be encouraged to continue their education while they work. Already some industries are experimenting with shared work roles, part-time work, and shortened workweeks. These changes appear to be especially attractive to working women and students. For such populations it is important that educational programs be geared to their greatest needs and be held at locations near them and at times convenient for them.

There has been much talk about the lowering of standards in education during the past 15 years. It is likely that standards are not necessarily lower today, but that the demands of our society and industry, in particular, have risen. Fifteen years ago, industry could absorb those who could not read or write. Now there is little place in industry for the illiterate adult.

Decision-Making Skills

Consumers today must cope with the problems of a seemingly unlimited choice of goods requiring highly developed decision-making skills. Labels, instructions, and warranties, for example, are written at reading levels ranging from fourth grade to college level. Fabrics require differing methods for cleaning, laundering, or repairing. Life consists of myriad forms to be completed with differing due-dates, of

vending machines whose instructions for use are often vague or difficult to follow, and of a transportation system whose futuristic electronic equipment can dissuade even the most competent consumer.

Stress Reduction

Added to these complexities of American life are the stresses accompanying an economy suffering from spiraling inflation and widespread use of credit. Conservative estimates in 1979 were that one of every 18 consumers was over his or her head in debt compared with one of 20 as recently as 18 months before that. Of particular concern is that many families are living fully up to the limit of two incomes, leaving no margin for error, unemployment, or reduction in working hours (Porter, 1979).

Spending Plans

Needed are spending plans among low-income groups, for whom food and shelter require major portions of their income. Especially needed are the following kinds of assistance:

- help in avoiding buying "while the getting is good," or to reduce the monotony of life, or to gain esteem from neighbors and friends
- help in planning beyond check to check so that insurance premiums and taxes can be paid or special sales can be used
- help in broadening shopping resources from personal, neighborhood stores with excessive prices, especially when credit is extended
- help in avoiding a salesperson's flattery or pitch, or in saying no
- help in shopping around for best buys rather than relying on relatives or friends for shopping advice
- information regarding cash and installment buying to avoid thinking only of monthly costs
- help in knowing where to seek help when cheated.

Why ABE Students Want to Learn

Most adults, but especially ABE students, go to school because they have an immediate need for learning. They want to learn English or gain entry-level job skills, get an elementary school certificate or a high school diploma. They do not come because they view learning as enjoyable for its own sake; rather they come for the changes it can make in their life—the more quickly the better.

In a recent study under the auspices of the Future Directions of a Learning Society project of the College Board and the Exxon Foundation, Aslanian and Brickell (1980) estimated that half of all adults in the United States 25 years and older had studied in some area in the

previous year. Eighty-three percent of the study population mentioned some life changes that prompted them to learn. About half of these changes were job related, but others reflected points of transition such as marriage, divorce, parenthood, or retirement. Life changes served as reasons for adult learning.

ABE students are also facing life changes. They may be making the drastic change from one culture to another, as in the case of the Indo-Chinese refugee who must learn a new language, new cultural coping skills, and new job skills all at once. Or they may be trying to move within our society from one status to another. The areas in which public support of adult education is mandated reflect the most severe needs in our society: ESL programs, high-school-diploma programs, citizenship education, job-skills training, education of severely handicapped adults, education of the elderly (especially in health and consumer education), and parenthood education. Each of these can be viewed as serving adults at times of critical transition in their life.

By no means, however, do all adults who have basic educational needs reach adult education programs. It is difficult to arrive at a valid estimate of educational need, but one indicator may be found in the target populations specified for publicly supported ABE programs. In 1978 more than one-third of persons over 25 years of age had less than four years of high school; another third did not possess a high school diploma. Yet public ABE programs in 1975 reached only 6.6 percent of these two groups. The percentage of the target population reached varied greatly from state to state. In California, for example, more than 38 percent were enrolled in ABE programs, whereas six states reached only one percent.

Reasons why potential ABE students do not participate in existing programs vary widely. Sometimes inadequate recruitment techniques are used, such as written notices or notices written in English, meant to attract those who cannot read or cannot read English. Sometimes there is a lack of support services such as financial aid, transportation, or child care to enable adults without resources to attend. Sometimes programs cannot retain students who have many conflicting demands of work and home or find that the curriculum offered does not meet their immediate needs.

The Role of Content in ABE Curriculum for Personal and Family Financial Planning

What seems clear is that an effective curriculum in personal and family financial planning can help ABE students do what they are required and need to do. This, in essence, is the definition of functional literacy.

Literacy about money and its critical place in our life can assume a vital role in ABE curriculums. The new immigrant learning English, for instance, can learn not only the vocabulary but the functional skills needed to cope with everyday money management. The person learning entry-level job skills can learn about salaries and wages, job benefits, withholding taxes, and social security. The adult seeking a high school diploma can develop essential skills in personal and family financial planning.

Not only can ABE students learn specific content related to money management, but also they can develop decision-making and problem-solving skills that will have transfer value to other areas. Adults, especially those from economically depressed areas, can begin to gain a sense of power that comes from making conscious choices rather than being controlled by forces outside themselves. Furthermore, all that we know about adult learning indicates that those who develop and use their cognitive skills will more likely be those who are able to use those skills throughout life.

It would be easy to provide a list of personal and family financial planning concepts and content that could be used with ABE students. These are almost self-evident from the preceding discussion of ABE students' needs. Successful curriculum, however, requires more than content cleverly divided into appropriate categories. Successful curriculum involves a process approach into which appropriate content is incorporated.

The Process Approach to ABE Curriculum for Personal and Family Financial Planning

It is well known that information alone is ineffective in bringing about change. A successful curriculum does bring about change: change in attitudes, including self-image as a competent consumer and money manager, and change in actual methods of handling personal and family financial planning for obtaining, using, and protecting financial resources.

If information alone is insufficient for bringing about these changes, what curriculum dimension makes such changes possible? Necessary is *a process approach* to curriculum that is holistic and accommodates cultural dimensions of feeling, perceiving, and valuing, as well as cognitive styles. Such an approach encourages not only experiencing the learning but processing the experience. This process approach is central to teaching adult basic education and focuses on decision-making skills for the adult student. We explore here the steps in curriculum design and some of the ways that group and individual decision making can be used, and we relate that process to personal and family financial

planning. In addition, we entertain various instructional settings appropriate to a process-approach curriculum including not only classroom settings and learning centers but also nonschool settings.

Designing Appropriate Objectives

Only by clearly defining the desired competencies in personal and family financial planning for ABE students can appropriate objectives be designed. Once it has been determined, for example, that competent adults in a given community should be able to use banking services as required in their everyday lives, it is then not difficult to derive specific performance objectives.

Indicators of the desired competency can be selected from a range of possibilities. Using banking services effectively may mean that ABE students after a period of instruction should be able to open a checking or savings account or apply for a loan. Objectives can then be written that specify the specific performance, the conditions under which it is to be demonstrated, and the standards that must be met—for instance, "By the end of a particular curriculum module or unit, students will show by filling out the necessary application forms correctly that they are able to open a checking or savings account or apply for a loan at a specified bank."

ABE teachers must be certain to select performance objectives that are directly relevant to their students' needs. If using banking services is not high on the list of desired competencies, teachers should select other competencies from which to derive objectives. Some competencies, of course, may be identified as required for [illegible] students to complete particular programs or reach given goals. Thus it may be necessary for an individual to know how to use banking services if such a competency is required for high school graduation even though he or she may not expect to use these services immediately. What is important is that priorities for objectives be established in direct relationship to the particular goals of students.

Appropriate objectives clearly defined so that both students and teachers can agree on the specific performance that is desired can form the basis for sound choices of instructional strategies and resources. They can also point the way to effective evaluation. If students cannot fulfill the objectives, it may be that the teaching-learning activities should be changed or that the objectives themselves are inappropriate for the students. Without specific objectives, however, such an evaluation cannot be made.

Selecting Instructional Strategies

During the 1950s attention shifted from teaching specific facts to ways of dealing with concepts and generalizations. The pressure of the

knowledge explosion dictated this. In the next decade more knowledge was generated than was acquired in the previous half century. Present estimates are that knowledge will double in periods of less than 10 years! Information clearly needs to be used, not as the primary basis for the curriculum, but to build, substantiate, and illustrate concepts or generalizations.

Deductive and inductive teaching strategies. Both deductive and inductive teaching strategies are needed. In *deductive* teaching, the teacher gives illustrations or makes applications using concepts or generalizations that students have already learned. In this mode of teaching (usually lecture) it is critical that the teacher be certain the students have previously developed the concepts or generalizations that underlie the applications. If they have the appropriate base, deductive methods can be useful and can speed up the learning process.

All too often, however, ABE students may not have formed the required concepts or generalizations, may have formed them incorrectly, or may have developed negative attitudes toward them. Migrant farm workers, for example, may never have learned about banking services and may be suspicious of using them. For an ABE teacher to start teaching such workers deductively about checking accounts would be futile even if it ensures "covering" the subject.

Furthermore, many adult students come to ABE classes having formed concepts that are incorrect and must be unlearned before new ones can be developed. Credit, for instance, is a concept about which there are many misconceptions. Some low-income families may view credit as a panacea for all their family financial problems. Others, especially some newly arrived Asian refugees, may disdain the use of all credit even for mortgages that would enable them to buy homes.

In *inductive* teaching, the teacher guides students from specific facts to concepts and generalizations and finally to application of the concepts and generalizations. Questions are important to each stage of the process: "what" questions for recall of information; "why" questions to generate inferences; "how did it make you feel" questions to relate personal feelings and values; "what does it mean" or "what can we say about . . ." questions to elicit generalizations; and, finally, "if . . . then . . ." questions to make conceptual application of the generalizations. At another level, actual application of the generalizations, often through an inquiry process, can bring about a cohesion that facilitates change and decision making and embodies affective as well as cognitive learning.

An inductive sequence might proceed this way: After students have read or listened to a series of case studies that reflect various consumer credit disasters in situations recognizably close to the students, the teacher might generate answers from the class to such questions as the following (more than one question might be asked at each level):

1. *Recall question*: "Name one thing you remember from the case studies." (Limiting each student to one response allows more students to become involved.) The teacher might write each response on the chalkboard or an overhead. Taba (1967) found that once a student has invested in the discussion, he or she is more likely to follow through all the steps.

2. *Inference question*: "Why do you think Rosa bought her daughter a new dress on credit without figuring if she could later pay the bill?"

3. *Feelings/values question*: "How did it make you *feel* when they took away Rosa's car and furniture for lack of payment?" (The teacher insists on *feeling* responses, not *thoughts*.)

4. *Generalization question*: "What do the case studies seem to say about people in general?"

5. *Application question (based on generalization)*: "If some people tend to think only of what they need or want right now, as you have suggested then what should they do?" (Any "if . . . then . . ." question related to previous generalizations could be asked.)

6. *Evaluation question*: "Which of the above possible solutions do you think would be most effective?"

7. *Inquiry question*: "Could we set up a series of situations where we could actually try out some of the possible solutions you have suggested?"

A more detailed discussion of the inquiry process follows.

The inquiry process. During the inquiry process it may be necessary for the teacher or other professional to provide guidance. For instance, a systematic observing process may need to be isolated for practice. Encouraging observations to be reported in class will often help others review or focus on items that may not have occurred to them. As an example, keeping a record of seemingly small daily expenses often called "miscellaneous" and underestimated in spending plans might prove revealing to a group. Other processes such as experimenting, charting, and predicting might need specific practice as well as application to a variety of personal and family financial planning content areas.

Some researchers have identified several stages of process (Strasser et al., 1971). The intuitive stage, usually the first or trial-and-error problem-solving stage, is the threshold to the second or awareness stage. In this second stage the student can discuss what he or she did and open up the possibility of studying what people do as they solve problems and make decisions. Finally, the third or functional stage is knowing what process and procedures (strategies) work best for which kinds of situations or problems and knowing how to apply those strategies systematically in one's own life.

At this point students often begin to realize the power they have over themselves and their environments. It is an exciting discovery in the

teaching-learning process.

Throughout this process the teacher's roles often involve (a) helping students *focus*—"Bill, you may first want to think about . . . "—(b) helping students *structure*—"Maria, maybe you should leave this problem for now and work on . . ."—(c) helping students *clarify*—"John, I'm not sure that I understand what you mean. Could you say it another way?"—(d) *encouraging* or *facilitating* student inquiry—"That's good information, Don. Have you also talked with the Department of Consumer Affairs?" In this latter category it is important not to be so directive that the student is no longer self-directed. There is a significant difference between guidance and direction.

Transfer of learning. The most traditional method for teaching content has been the *deductive* or didactic, lecture approach. This method is certainly most efficient in ensuring coverage of the content. Retention and application or use of the content, however, seem less likely to occur when this approach is used exclusively. Inductive or questioning strategies appear to have a considerably better chance for retention and application, especially when used with guided inquiry or self-directed learning. This combination seems to provide greatest opportunity not only for retention but for transfer of learning.

Ideally it would be helpful if students could try out all learning in actual life situations. Adults do have greater opportunity for such transfer. Research indicates, however, that few actually make such transfer even when the opportunity arises. This is probably due in large measure to lack of instruction that specifically facilitates such transfer of learning.

To assure transfer of such processes as problem solving and decision making, students need experience in using them in different situations and in discussing the needed variations in process and content. Students also need to evaluate the effectiveness of a process in different situations.

Two devices that greatly facilitate transfer are simulation exercises and role playing. Such strategies are more time-consuming than lectures, but if application is the goal of learning, time must be provided to at least illustrate how such application takes place.

Selecting Instructional Resources

ABE teachers sometimes report that they have limited access to instructional resources. In the area of personal and family financial planning, however, most instructors can find a variety of persons and media to help them.

The *human resources* of a community can be called on for various kinds of help. Banks, insurance agencies, Social Security administrations, social welfare agencies, family service associations, Better Business

Bureaus, and consumer protection agencies, to name a few, can be asked to provide speakers and materials.

Demonstrations either at a business or agency site or in class can be especially useful. ESL students who actually visit a market and discuss the operation with its manager, or high-school-diploma students who practice job interviews in class with a personnel manager will find that going through these experiences is far more memorable than merely reading about them or seeing them in a film. ABE teachers have found businesses and agencies most willing to provide such opportunities if they are carefully planned.

A word of caution is needed, however. Teachers may draw on community speakers who, from their agency descriptions, appear to be just what is needed, only to find that their talks are unrelated, inappropriate, or too lengthy. The fault lies as surely with the planners as with the speakers. It is important to determine the speaking ability of guests in relation to a particular group of students, inform them specifically of the areas to be discussed, and set a reasonable time limit. Instructors should be prepared to intervene gracefully to help with vocabulary problems or to focus or terminate a wandering presentation. Usually a brief presentation with opportunity for questions is more successful than longer speaking assignments. Likewise, a few carefully selected and coached guests will usually be better received by ABE students than long panel sessions with numerous community representatives.

Media resources, like human resources, must be selected thoughtfully and carefully. *Nonprint media* should be brief, colorful, and to-the-point. "Fillers" can almost always be spotted as such and are resented. Long, drawn-out films or multimedia presentations likewise can kill motivation fast. The less verbal films seem most effective. They are often free of the overkill effect of verbal reinforcement of content that visuals have already made clear or that ABE students may have difficulty in understanding.

Common types of media resources that might be considered are films, audiotapes, videotapes, slides, filmstrips, or multimedia packages such as sound and slide or filmstrip with cassette and written response. More sophisticated programs may also have available such media choices as wet carrels (electronically equipped study stations) with computer-assisted instruction or other electronic feedback devices.

Print media range from the common textbook or workbook through the programmed text to the computer printout. Printed materials are especially crucial to ABE, and effective materials are increasingly available. However, there remain many that are designed for younger students, are out-of-date, or are written at inappropriate reading levels.

Teachers need to learn the techniques of print selectivity based on relevance and readability. Materials need to be scrutinized carefully, especially ABE materials, to ensure they do not "talk down" to adult students. Nor should they be replications of materials that may have turned students off in earlier school experiences.

Many readability formulas are available. The Fry Readability Formula, for example, is easy and adaptable for use with adult readers. It is important to note, however, that the Fry Graph, like most readability formulas, considers only word length (number of syllables) and sentence length as criteria for readability. These are unquestionably important dimensions of difficulty in reading, but there are other important considerations. For instance, syntax (including use of dependent clauses, verbals, and embedded elements) greatly affects readability, as does concept load. Concepts are usually reflected in nouns and not only in multisyllabic nouns. Nouns such as "idea" and "value" are as complex as "inflation" or "bankruptcy" in concept load.

If a text is being used regularly with a class, the CLOZE readability technique is more satisfactory, because it matches the student and material to be read and accounts for syntactical and concept elements. The CLOZE procedure, however, is understandably more complex and time-consuming.

Adult materials are also susceptible to racism, sexism, and ageism. Many guides have been produced to help detect materials guilty of these "isms." They are readily available from most publishers or from professional organizations such as the National Education Association.

Federal and state funding of curriculum materials projects in the past few years has resulted in a variety of competency-based curriculum modules and accompanying print and nonprint materials designed for ABE. Many of these contain content areas applicable to personal and family financial planning such as job benefits, budgeting, banking services, credit, buying, consumer products and services, and protecting resources through insurance. The National Dissemination Network of the U.S. Department of Education has identified at least three ABE projects as meeting its high standards for dissemination. These include the Adult Performance Level (APL) Project at the University of Texas at Austin, the Competency-based Live-ability Skills (CLASS) Project at the Clovis Adult School in California, and the New York State External High-School-Diploma Program at Syracuse, New York. The products of the first two projects are available through commercial publishers.

Instructional resources, then, are available for ABE. What is needed is help for teachers in gaining access to existing resources and in setting up criteria against which to make wise choices for particular student use, whether the resources be commercial or teacher made.

Designing Assessment and Evaluation

ABE students come to adult programs with widely varying literacy levels and experience. Each adult program must have a way of assessing students as they enter and making appropriate placements. In large programs this may mean that the student sees a learning assessor whose only job is testing and placement. In most programs the entering adult student is interviewed by a counselor or program coordinator whose responsibility is initial assessment and placement. In small programs the teacher may perform these functions as well as design instruction.

Usually it is the teacher's responsibility to evaluate the student's work as he or she progresses through the program and to arrive at the final judgment that specific objectives have been met. If the initial objectives have been clearly defined, this decision is relatively easy for the teacher to make.

ABE teachers are encouraged to use a variety of evidences about student performance such as paper-and-pencil tests, teacher observation, checks of performance in simulated or real situations, and student projects or products. The area of personal and family financial planning lends itself well to the use of applied performance testing as well as paper-and-pencil methods. Students can demonstrate in a range of practical ways that they have indeed developed the appropriate concepts or skills. In some communities, for instance, personnel directors cooperate in evaluating adult students as they actually go through a job-application process. In others, adult students can be evaluated with the help of the local bank as they apply for checking or savings accounts. In at least one state such external evaluations are used by an assessment center separate from the adult education programs. Adults can be assessed for a high school diploma on the basis of the knowledge and skills they have gained as homemakers, workers, and community members.

One problem encountered by ABE programs is the lack of articulation among ESL, elementary-school-certificate, and high-school-diploma programs. Ideally adult students should be able to build in a sequential way on their learning experiences. However, in a situation where students are eager to get entry-level jobs as soon as they have minimum competencies, and where they may be highly mobile, such articulation is very difficult. In personal and family financial planning, this means that students may be overexposed to some aspects of the curriculum and have serious gaps in others. Assessment and evaluation thus become especially critical in ABE programs.

Combining Process with Content

Process, of course, is only valuable as it enables students to manipulate content. The teacher must know enough about the content area to be able to orchestrate the teaching-learning activities so that they ensure maximum retention and efficient use by the students. ABE students, especially, have limited time but great need for learning, so their curriculum must take all possible advantage of appropriate choices of instruction.

One example of combining appropriate process with content was described earlier in the Taba questioning strategies, which enable students to move progressively from recalling content through making inferences, forming generalizations, applying content (both verbally and in actual use), and evaluating results. These strategies can be applied to any content area designed to help students go beyond learning basic facts to developing concepts. Effective personal and family financial planning obviously requires such concept formation.

In another example, a teacher might plan for the following process to teach students the principle, "Diverse lifestyles affect spending patterns." The teacher's objective might be that students apply successfully to their own life the generalization, "People need a spending plan or budget, but that plan may look quite different depending upon the individual's life-style."

The teacher would probably want to use a motivating and involving "opener" so that students will want to construct and later try out a spending plan for themselves. Because well-made motion pictures and TV programs have the advantage of appealing to sight, hearing, and the emotions, short involving dramas such as the videocassette on "Budgeting" from the *Around the Corner* adult series by the Mississippi TV Consortium would be an appropriate opener. (The series is in a soap-opera format that includes adults from different cultural backgrounds.)

A group discussion of the couples' problems using inductive questioning strategies could bring about a list of possible spending plans. Each adult could, then, through self-directed study or in small groups, devise and try out an individual plan. Factual resources would be available in print; presentations (lectures) could be given for those wanting or needing the information, with further small- and large-group feedback for clarification and restructuring of procedures. Individual help would also be available from the teacher, aides, or fellow students. Other learning activities would, of course, be interspersed during the spending plan tryouts.

The success of the plan would ultimately be determined by each adult—did it improve his or her spending, saving, and protecting

procedures? The evaluation should be according to criteria personally developed with classroom guidance. The teacher's objective would be realized through additional inductive discussion sessions.

In this way all modes of the teaching process would be used effectively and efficiently: media to inform and motivate the students; inductive discussion to plan application; inquiry to formulate and try out individual plans; and lecture/research to provide additional factual information as needed. The sequence described here is especially effective for adults, because they are usually highly motivated to learn, mature enough to handle independent study, and functioning in life roles that make the learning immediately relevant.

Instructional Settings

To facilitate instruction of ABE students, administrators and teachers need to ask the basic question, What size and what kind of instructional setting are most appropriate?

Large groups obviously make most effective use of speakers, films, or demonstrations that require minimal or no interaction between the instructor and the student or among the students. But only *small groups* can provide maximum opportunity for involvement. They can be used for follow-up discussion of large-group presentations, for committee work on a common task, for remedial instruction, for brainstorming creative solutions to problems, for exploring questions in depth, for gaining new information—in short, for sharing a variety of learning experiences. In small groups, individuals cannot be ignored. Shy adults may find it possible to speak out; the overly talkative may begin to listen. ABE students, especially in the area of financial planning, need practice in participating in the social interaction that only small groups can provide.

What is vital in using small groups is that the purpose be made very clear. Participants should be carefully chosen. Homogeneous groups may sometimes be best for remedial work or enrichment, but heterogeneous groups are likely to produce more creative ideas. Groups may be teacher led, or used to provide leadership opportunities for class members. Above all, adult groups should be carefully planned and evaluated so that adults do not feel that their limited classroom time is wasted. Small groups can, unfortunately, be used to fill up time, or they can be one of the most valuable experiences ABE classes can provide. A key component of successful ABE programs is the *individualization of instruction*. Teachers should learn how to develop individualized competency-based instruction and/or individualized course requirements. Each student's competencies must be assessed relative to the competencies required and an individual plan developed with the

student for completing the remaining work to be done. In some programs this will take the form of an individual contract. Individual progress checks should be made periodically to adjust the plan as needed and to let both student and teacher know what progress is being made.

Use of large groups, small groups, and individualized instruction can occur in classroom settings or in adult learning centers. Increasingly ABE programs are finding the learning center approach most appropriate to the needs of both ABE students and teachers. Among the reasons this approach seems most fruitful are these:

1. Adult students often have limited time and complex schedules. The learning center with its open-entry, open-exit system allows students to drop in whenever they have available time and pick up their learning packets where they left off.

2. Both teachers and instructional aides are available to assist students on an individual basis when they need it.

3. Materials can be gathered from available sources, self-instructional and assessment materials (pretests and posttests) added where necessary, and the materials cataloged and filed for ready student access.

4. Students can select only the content areas needed rather than being limited to the pace of classroom instruction.

5. Once the materials are established, the teacher's expertise can focus more on process than on content.

Beyond ABE Classrooms and Learning Centers

As noted earlier, many ABE target populations never find their way to the ABE classroom or learning center. Yet money management and financial planning may be the most central concerns in their life. Surely a need exists to find ways of reaching and helping these often desperate adults. Several programs are struggling with these needs. Described below are three programs (from *The Low-Income Consumer*, 1979) that confront the most pressing problems that often keep undereducated adults from more formalized schooling.

One program addressed the consumer needs of the elderly in New York City. The program was part of the New York City Community College's Consumer Education of the Elderly Project, which was designed to help large numbers of older adults and minorities in selected sites. The project found that little research data existed on attitudes, behavior, and problems of elderly consumers in general or low-income and minority consumers in particular. Elderly workshop leaders were trained in consumer skills and were themselves involved in assessing materials, identifying and clarifying issues, defining objectives, and developing methods to obtain their goals.

Likewise, in Tennessee in 1977, 250 households were surveyed to determine the needs of clients served by the Child and Family Studies Department of the University of Tennessee. Results showed that clients received product information mostly from relatives and friends and that skills were needed in shopping for credit, getting the best buy, and choosing materials for home repairs. Workshops and day fairs were organized at neighborhood centers to provide demonstrations and information.

The third program, the Consumer Education Mobile Outreach Program, was established in Raleigh, North Carolina, in 1977 as Information on Wheels. This program was designed to provide information on consumer education, protection, and advocacy to some 1,500 rural residents. Emphasis was on such areas as legal rights, financial management, energy conservation, and product safety. The mobile unit served as both classroom and information center.

Conclusion

Undereducated adults clearly need educational programs in personal and family financial planning that can help them improve the quality of their life. Those who participate in ABE programs have demonstrated that they want to learn functional-literacy skills that can help them cope with an increasingly complex society.

A process approach that incorporates the content of personal and family financial planning into the ABE curriculum can serve this segment of the population that is least educated and most in need. To achieve this goal, however, requires a teacher well versed not only in the content of personal and family financial planning, but also in the adult teaching-learning process and cultural pluralism. That is a tall order in an educational field in which many states require no specific educational training for ABE teachers. Some require elementary or secondary school training as prerequisites, and others, such as California, only minimal training. Added to these minimal requirements is the fact that most ABE teachers nationwide are part-time teachers, often as a second occupation. In order to function at classroom levels even approximating those described here, teachers need clearly detailed content in financial planning, staff development for integrating such content with the appropriate teaching-learning strategies, and, finally, administrative, personal, and material support. Teacher education is clearly a critical need.

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7

The Community College and Personal and Family Financial Planning

James L. Wattenbarger

In the early 1970s the American Association of Community and Junior Colleges (AACJC) undertook a project to expand the goals of community and junior colleges so that the term "community" would validly describe the colleges' commitments, programs, concerns, goals, and designated roles. When Edmund Gleazer (1974a), then AACJC's president, outlined the characteristics of the *community-based, performance-oriented* postsecondary institution, he was challenging the community college to reconsider its role and commit itself to the total job. Among the characteristics of the community-based, performance-oriented college is responsiveness to needs in a community.

To provide a clear notion of what these needs may be, let us examine some of the recent projections for and conjectures about the future. Without question there have been many changes in the expanding curriculum of the community college. Although there is still emphasis on the first two years of a four-year degree program, there is less emphasis on the lockstep, limited curriculum typical of most colleges 50 years ago. Many students today enter the community college with a bachelor's degree as a goal, but this group is smaller proportionally than it once was. Only about 25 to 30 percent of first-year students actually continue into four-year degree programs, and in some colleges the percentage is even less than that.

The strong emphasis on a variety of occupational roles in the current work force has resulted in an increase in community college occupational programs with a technical as well as a skills emphasis. In many institutions over half of the enrolled-for-credit students are in these special programs. This change in emphasis has been the result of the colleges' sensitivity to community needs as well as to student needs and is a major change in the customary curriculum balance.

The noncredit courses have also expanded both in concept and in number of students served. Many community colleges have a heavy

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concentration of effort on identifying individual and community needs and developing ways of providing education to meet those needs. Courses for personal development, improvement of individual job skills, or community improvement are examples of the emphases that community-based education may take. Continued increases in enrollment in these areas may be expected, and the community served will be specifically affected by its college's community-based programs, whether or not they are available for credit.

A final area of specific concern has been the general education programs of the community college curriculum and their relationship to real-life educational needs. Concern for general education as a part of college curriculum has deteriorated during the past 10 to 15 years. Colleges that placed great emphasis on general education a few years ago are silent today when questions regarding the validity of general education are raised. In most general education programs there has been a comprehensive revamping of requirements, administrative structures, and even goals. Harvard, which was a leader some 30 or 40 years ago in a general education program for undergraduates, very recently called for a complete revision of that program. Community colleges, often dominated in curriculum matters by four-year colleges and universities, have found themselves in an uncomfortable position as a result of their general education programs. If the community colleges were to develop more realistic and appropriate general education programs, would they include content and focus not now considered? That is one of the major questions to be analyzed in this paper. To answer questions about the relationship of personal and family financial planning and community colleges, one must examine the community needs that are projected for the future.

Fact: Demography: There will be fewer youths and a concomitant increase in the percentage of persons over 55 years of age.

The community college should seek to provide education that will identify ways to maintain the vitality of senior citizens. There should be ways identified for making positive use of the talents and experience of older citizens. The changing of life-styles into what has been called retirement requires a variety of education not available in the past. New and different relationships with family, friends, and professional associates, as well as with myriad other points of daily contact, have an effect on life-styles.

Fact: The economy: Two factors currently affect the community in a direct way: inflation and unemployment.

The community college will need to provide education that will help individuals understand the causes and results of inflation. The ability to cope with the problems of financial planning in a new situation such as an inflationary spiral requires more education and new knowledge for

everyone. The community college serves the total span of ages in providing opportunities to gain that knowledge. Learning to take advantage of effective techniques in using limited personal resources is a lifelong educational task. Education can sometimes alleviate the situation by providing opportunities for educating individuals to move into new jobs and to become more productive. Unemployment is usually highest among those who have few skills. Fear and insecurity may be alleviated, at least partially, by education.

Fact: International relations and national defense: The gap between the United States and the underdeveloped nations is great. American citizens need to understand the dimensions of this gap and seek ways to narrow it without allowing their own level of living to deteriorate in the process.

The community college should provide resources for study as well as courses and special discussions of the best information available related to the problems of international relationships. There should be opportunities to meet with and talk to representatives of other countries. Forums, workshops, learning resources, are definite college responsibilities. Faculty expertise should be made available to the community through a variety of avenues.

Fact: Law and justice: The expansion of concepts related to justice and rehabilitation involves an active and cooperative role on the part of the citizen in relating those concepts to law enforcement and the administration of justice.

The community college should make its regular programs available as an integral part of rehabilitation opportunities for offenders. Rates of recidivism seem to have a direct relationship with level of education. The attitudes developed in the total student body are engendered as a part of their education. Positive attitudes toward law enforcement may be developed through education.

Fact: Equality of opportunity: The need for educational equality is a basic concept in achieving any progress toward equality of opportunity.

The community college will be required to examine its own procedures with great care to make certain that there is equality of opportunity for all to be educated. Because educational attainment is one of the most often used criteria for job entry and job promotion, a major responsibility falls on the college to influence the entire community in relation to equal opportunity. Business and industry not only need help but usually recognize their need and expect help from the college.

Fact: Religion and humanism: Humanistic education as an addition to or substitution for formal religion appears to be increasing in the current society.

While the constitutional separation of church and state, supported by Supreme Court decisions, has tended to keep colleges wary of direct religious participation or support, there has been increased emphasis on humanistic education and techniques that aid in self-actualization. These may be substituted for more formal religious activities and

commitments. The college is often called on to provide a basis for understanding humanism as a method of living together in a community.

Fact: Community and faculty: Adjustments in family structure and life-styles have affected many traditional relationships. These changes also affect the total community.

The community college should be prepared to provide educational services to husbands and wives relative to their relationship with each other and economic and social reverses. Child care for student parents is in some cases a necessary part of the educational commitment. The life-style of single parenthood requires educational attention. In the current society education is needed to maintain the characteristic dependency on family structure.

Fact: Health and medicine: Increased knowledge about health maintenance has resulted in longer lives and healthier life-styles.

The community college should provide not only the knowledge but also the physical incentive for health maintenance. Facilities and their availability for public use become an important consideration for the college. Programs that are used as incentives to improved health are common to most colleges.

Fact: Science and technology: The search for solutions to current major problems requires continual emphasis on science and technology. The dependence on continued development has become a fact.

The community college has accepted its obligation to provide the basis for attaining knowledge in science and technology. Not equally well accepted, however, is the college's own direct role in improving that knowledge. The role of the community college does not usually include the function of research on scientific or technological problems. Rather, its role has been implementation of research findings within the local context. Action research, so called, is a responsibility of educated leadership.

Fact: Work and employment: Changes in the work force, in the workweek, in the terms of commitment, will affect the need for education and the focus of education.

The concepts of overeducation and underemployment cause concerns that were virtually unknown previously and are therefore difficult to accommodate. The direct association of employment with level of education causes expectations that are not always achieved. New understandings of education's relationship to occupation will be required.

Fact: Education and training: Increased participation in lifelong extended education will be the major factor in educational expectations.

The community college has indicated a responsibility for lifelong education. To meet this responsibility will require much change in program and delivery, particularly in the assignment of resources within the college itself. Community needs and demands must be

reintegrated into commitments of resources.

Fact: Media and communications: There is increased awareness of society's needs and individual or group actions. We learn about events as they happen worldwide. The international effects of isolated events are felt, if not always understood.

A collegiate program must provide the opportunity to discover knowledge and to synthesize it so that students and faculty can individually extend their understanding of world problems and potential individual action. An increased use of media for education is indicated.

Fact: Leisure and recreation: The possible allocation of personal resources and time in greater amounts for recreation and other leisure activities changes with life-style, responsibilities, opportunities, and extended education. Shorter workweeks must result in better use of leisure time.

The community college will need to relate recreation to creativity and physical health. Individuals are affected by their own knowledge. Productive leisure can be a positive force in a community as well as a growth aid to individuals.

Delivering Personal and Family Financial Planning Education

These changes in society have implications for the community college in many ways but are specifically important in curriculum development as related to the goals and purposes of the community college. If a college is committed to be community oriented in the philosophical sense, then its program of educational opportunity must affect and be affected by the community.

The imperatives that may be derived from the needs assessment above should be analyzed and applied in the setting of a community-oriented community college. Implications for this level of post-high-school education are many. Important among them is that the community college has an obligation to participate in maintaining and/or raising the community level of living, and in educating people to live in the community.

Probably no other postsecondary institution is in a better position to relate to personal and family financial planning education with its emphasis on lifelong education than the community college. A goal of serving the needs of the local community takes precedence in most instances over all other goals in this institution. A commitment as well as an operational policy to become an integral part of the community is also unique to the community college. An open-admissions policy that will provide lifelong opportunity for education is essential to the community college.

Gleazer (1974b) summarized the characteristics common to commu-

nity colleges as (a) providing access to all, (b) nurturing lifelong education, (c) emphasizing personal needs and self-development, (d) recognizing that the college serves only part of the total market, (e) responding quickly to community needs, and (f) defining clear criteria for measuring quality of performance.

When one views these institutional characteristics in relation to some characteristics of personal and family financial planning education—(a) understanding how financial needs and tasks change throughout the life cycle, (b) understanding how commonalities and differences in financial needs are affected by age and household structure, (c) determining financial priorities, and (d) understanding relationships and allocations of income among spending, borrowing, saving, protecting, investing, and sharing to achieve and maintain economic stability and security—one is able to develop the basis for a program in the community college.

A program that uses the needs assessment based on social changes as content for building cognitive and affective learning objectives will focus on personal and family financial planning education as a goal. Because the students in the community college represent all stages of the adult life cycle, there can be a wide variety of approaches to personal and family financial planning education.

General Education

An area of education more often neglected than well planned, general education provides an opportunity for most community college students to gain the basic knowledge needed for financial planning. The basic skills of planning should be developed in the general education courses common to all students. Sensitivity to social requirements and appreciation of achieving balances in decision making are ideal goals that are often not well considered in the usual assemblage of liberal arts courses labeled "general education." This is the program usually required of students who are pointed toward a baccalaureate degree. It is also the program used by others who are aware of their personal goals.

An honest appraisal of the life-cycle needs of the 18- to 24-year-old group would require a reexamination of most general education programs and a reorganization of the ways in which these needs are being met. Personal and family financial planning education should have special attention in the general education program.

Special Courses

The development of a series of special courses for personal and family financial planning education is another possible way of providing for the needs. Courses such as personal financ[illegible]nsumer economics,

home and family planning, finance, and family financial management are found in many community colleges. These are not well enrolled, however. The enrollment is limited to individuals who have special interest or who are seeking an elective at a convenient time. It would not be unusual to find no more than 100 students registered in these courses, out of a total college enrollment of 10,000. Obviously this avenue for developing personal and family financial planning education will affect relatively few individuals unless more interest is developed than has been the case in the past. Most programs are so full of required courses, even required "electives," that plans for extending personal and family financial planning education through this avenue cannot be very successful.

Career or Occupational Education

A major avenue for courses directly related to personal and family financial planning is the occupational area. Home economics often requires courses in family financial planning for certain occupational programs. Business-related programs also include personal and family financial planning content and concepts. Although individuals taking these programs are largely oriented toward an occupation for the future or job skills for the present, the roles they will play in their life will be affected by their knowledge in these areas. Careful planning is needed to make certain each occupational program provides adequate background in personal and family financial planning.

Community Services

Continuing education activities offer the best opportunity to provide personal and family financial planning education to students. Noncredit courses, special forums, lectures workshops, conferences, and individualized minicourses are examples of the various ways a community college may provide educational opportunity. Because the college is answerable to no one but the student in the area of noncredit courses, there is ample opportunity to experiment, innovate, adapt, or invent. There is freedom in both content and teaching strategy. The needs in personal and family financial planning can be studied and met in unlimited ways.

A contribution to the community can be made through a continuing series of special lectures and/or workshops designed to aid individuals in financial planning activities. Special attention may be given to the community college's role as a catalyst by arranging for forums and discussion groups. The leadership role available to the college through such activities is not often carried out by other agencies and may enable the college to make an additional contribution to the community. Forums often may replace some of the benefits of town meetings,

which have fallen into disuse in many places. To reestablish this form of local communication may be a very positive community-development contribution.

Another way the college may contribute is in the capacity of broker. Many agencies in the community provide financial planning services but may not be able to reach potential clients without help. Often the juxtaposition of several agencies is required in order to make any one of them most effective. The "broker" college makes these relationships possible. An important part of this brokering concept is the availability of counseling services to individuals and groups. Helping people identify their problems and find the community agency that can assist them is an important but often neglected function. The community would benefit from this service.

The Problems

A number of special problems interfere with the development of personal and family financial planning education in community colleges. The nature of these problems differs in the various institutions, as do the solutions.

Changing the Curriculum

The natural inertia that causes a reluctance to change is strong in colleges and universities. Individual faculty members' perceptions of job security, in combination with a list of required courses, make organizational homeostasis common. Even the so-called return to basics is not a movement but rather a cover for avoiding change. The need for a change agent in each situation is a primary consideration. Obtaining success in curriculum change is very difficult even when there is incentive to change; without incentive, change is almost impossible (Wattenbarger & Scaggs, 1979).

Financing

American higher education has been only partially supported by public funds, and most of them have been earmarked to support education for youth below the age of 23. Personal and family financial planning with its life-cycle emphasis requires lifelong educational attention. Furthermore, most community colleges have become accustomed to formula-based financial allotments from state sources. These formulas strongly support aid for credit courses (the poorest way, apparently, for personal and family financial planning development) and for daytime courses. These are deterrents to the development of new community college curriculums. The current restrictions on courses or program development that may be found in almost every

state are not conducive to the expansion of community college educational services in this area.

Faculty

Many faculty in social science, business, and home economics are unprepared to teach personal and family financial planning. There is a need for special training because most discipline-oriented preparation does not ready individuals to teach areas outside the discipline's boundaries. Add to this lack of content background the unwillingness of some faculty to deal with controversial issues in their classroom teaching. Fiscal cutbacks or reductions in force cause faculty to be more committed to and supportive of their discipline and less willing to experiment with new subject areas. The need to communicate with other faculty who are teaching personal and family financial planning is very real, but current restrictions on travel and support for attending conferences have hampered this interchange as a viable avenue for faculty development.

Teaching Materials

The nature of the students who attend the community colleges is varied. The range of ability and of other characteristics is great enough to be representative of the total community. Although the open-door policy is admirable from the point of view of educational services, it causes problems in materials for both traditional and nontraditional courses. In an area like personal and family financial planning, materials adapted to the entire spectrum of abilities and learning styles will be needed. Modules for individualized instruction as well as for multilevel instruction are needed. These materials, for the most part, are yet to be developed.

Another problem is the unavailability of learning resources. When a new subject area is introduced, libraries do not always have a comprehensive collection of current books, films, tapes, slides, disks, periodicals, files, and so forth. Therefore, faculty must develop special materials as well as organize courses to teach personal and family financial planning.

Facilities

Although no special facilities are usually required for personal and family financial planning education several problems must be recognized. The accessibility of facilities at the site of instruction is of primary importance. Courses that serve older citizens must accommodate their needs. Such courses should be located near the homes of older citizens, and older citizens should be provided with transportation during the day, not at night when getting around is more difficult.

Articulation

Although there has been an emphasis in some high schools on personal and family financial planning education, the articulation between high schools and community colleges in this area is limited or nonexistent. Much needs to be done at local and state levels. The problem of transfer to a university is another factor that often affects the success or failure of college-credit courses. Personal and family financial planning education is not an area easily identified in most university programs, and articulation becomes a major problem.

Counseling

Because many of the choices students make in selecting both credit and noncredit courses are dependent on the information they receive and their understanding of requirements, the counseling staff are a major factor in developing a personal and family financial planning program. Students are reluctant to consider courses that are not in their program. The counseling staff need to understand the imperatives of personal and family financial planning for lifelong education as well as for individual development.

Summary

Financial planning is an essential activity in modern society. More, not less, attention should be given to financial planning in the future. This will come about as a result of a number of changes in society, changes that recognize the interdependence of social factors.

The community college provides a well-organized structure for increasing individual and community sensitivity to the problems of financial planning. There are several ways that this can be accomplished—through improved general education, through special-credit courses, through occupational emphasis, and through a variety of community services such as noncredit courses, forums, workshops, conferences, lectures, and special events. The college, acting as a catalyst vis-a-vis other community agencies or as a broker for these agencies, can aid individuals and groups. Through this sort of activity the college can facilitate community improvement and foster a higher level of personal development for each individual.

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8

Better Teacher Education Through Personal and Family Financial Planning

Joel L. Burdin

My assignment is to propose that personal and family financial planning be infused extensively into education personnel development.[1] Recently I have spoken about infusing the teacher education curriculum with health education, energy education, and Public Law 94-142 (education of the handicapped). One strong advantage that personal and family financial planning has over other topics is that it is personally relevant to each educator. That increases the odds that preservice and inservice personnel will take the content and the methods seriously. While studying financial planning, preservice and inservice education personnel can learn to address topics as varied as the following:

- "Back to basics": Personal and family financial planning enhances basic education. The Adult Performance Level studies conducted in Texas under federal auspices illustrate how essential personal and family financial planning really is.
- State movements toward minimal competencies: This is a catchy focus among state legislators. Financial planning education can increase the chances that the movement will be balanced and sensible.
- Educational equity: Financial planning can be a substantial means of attaining equity and an essential tool among females and minority persons in protecting rights gained. These individuals traditionally have been subjected to a kind of fiscal colonialism through both benign and blatant discrimination.
- Alternative futures: Personal and family financial planning can be an important part of studies to prepare to facilitate, alter, or block

[1] Throughout this chapter "teacher education" and "education personnel development" are used interchangeably. They include all personnel involved in preservice and inservice education on the college campus and in elementary and secondary schools.

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probable futures in personal and family financial management. In an increasingly complex world such success will be an important tool.

- The challenge to maintain individual autonomy: Increasingly individuals are having difficulty maintaining their autonomy in a complex society because of diverse pressures. Particularly the media bear heavily on individuals' fiscal affairs. Individuals are manipulated subtly and aggressively by the media, which create demands for products and direct purchasers to specific brands. Financial planning education should aim to maintain individual control over financial matters, at least in decisions about purchases. It should also aim to provide awareness of monolithic factors over which individuals have no control but that must be taken into account in personal and family planning—for example, inflation, energy crises, balance-of-payments decisions of the U.S. government, and others.

The topics just mentioned illustrate factors that impact on individuals and families. Incorporated into the design of personal and family financial planning, studies of the factors can add vitality and significance to the school curriculum as well as to preservice and inservice personnel preparation. Let me expand on the ways in which personal and family financial planning can add importance and meaning to education personnel development:

- It is a good means of helping preservice and inservice personnel incorporate important concepts and facts into the K-12 curriculum. The substance of personal and family financial planning is valuable to both students and their community.

- Its content is relevant to educators and therefore likely to be studied carefully. It is appropriately applied in the K-12 classroom.

- Personal and family financial planning can serve as a prototype of how to infuse education personnel development into studies of several relevant topics. As teachers learn the substance and processes of personal and family financial planning, they can apply their knowledge and skills to other topics as well.

Specific Responses in the K-12 Schools

A number of pressures have been noted that imply several specific responses in the schools. The changes would improve personal and family financial planning as well as other instruction.

Planning instruction. Here are some guidelines for planning K-12 instruction as well as education personnel development:

- Learning personal and family financial planning should help individuals clarify their values about money.

- Interdisciplinary studies can help learners to master several "ways

of knowing"—several sources of ideas and information. A complex world demands diverse ways of learning about it and testing that knowledge. All subject specialty areas have some contribution to make to personal and family financial planning, and all can become more vital through some infusion from it.

- Many different kinds of learning sites and resources should be used. The school cannot be the only site for learning. The whole society is a learning laboratory, particularly the community in which the school is located and the media that enter every home. Because personal and family financial planning is real-world oriented, it can be an important means of encouraging the school to reach out and bring the community into the schools.

- Several aids to learning should be used. The broadcast media and mediated materials are especially valuable. Instructional aids and methods should be adapted to the nature of the learning to be mastered and the nature of the learners. Likewise, they should be adapted to the unique style of the individual educator.

- Several approaches to teaching should be used, for example, lectures, panels, group discussion, community service duties, and work experiences. They should be used wisely, adapted to individuals' learning and teaching styles, background, and motivation.

- Teachers should emphasize learning how to diagnose and prescribe learning options and resources as much as they emphasize substance. Diagnosing and prescribing approaches to learning are valuable long after content is radically altered or replaced. Financial planning can be a tool in helping educators learn the competencies of diagnosing and prescribing, which in turn should be used in teaching elementary, secondary, and adult learners. Such competencies are useful for a lifetime when they are adapted to new knowledge and altered conditions.

Content identification and materials preparation. Personal and family financial planning has to be converted into a scope-and-sequence chart relative to all the subjects and grade levels. Materials are needed for both education personnel development programs and the schools.

Effective use of content and materials. Educators benefit from conscious efforts of personal and family financial planning experts, professional conference organizers, professional association leaders, and others to assist them through workshops, articles, personal counseling. There are many ways to promote sound personal and family financial planning as it moves from design to implementation. If deliberately taught as generalizable skills, the skills of personal and family financial planning can be useful in improving instruction in all curriculum areas.

Assessment of personal and family financial planning. Educators need to

determine who is using personal and family financial planning and with what degree of relevance to education personnel and their students. Also, educators need to ask how effective the content of personal and family financial planning programs is, and what steps are being taken to protect the best interests of students and the total community.

An Action Response Through Personal and Family Financial Planning

Having touched briefly on public pressures and other forces of change and having related guidelines for organizing K-12 education as well as education personnel development, I turn now to some illustrative actions in personal and family financial planning that seem compatible with what I stated in earlier sections of this chapter.

A Better Awareness of Personal and Family Financial Planning

There are advantages in making several publics more aware of personal and family financial planning, in both education personnel development and the schools. Personal and family financial planning is a way for school personnel to reach out to the business and general community, and it is a fine vehicle for using citizens' varied skills to make the program as effective as possible. Tailored communications to specific audiences can make the public more conscious of the many ways personal and family financial planning serves the best interests of students and the community.

Some Suggestions for Materials

The following are suggestions about materials.

Overviews of existing materials. More charts should be created that show relationships of existing materials to one another and proposed use by grade level and subject level. This is important, considering that teachers have many duties and are more likely to use materials whose use is clearly delineated. Good study guides increase the likelihood that the materials will be used effectively—according to a "grand design."

A personal workbook for educators. We assume that if educators understand and appreciate personal and family financial planning concepts and approaches, they are more likely to use those concepts and approaches in their teaching. As a means of increasing the effectiveness of financial planning in the schools, a study guide should be produced to assist educators in their own personal and family financial planning. Educators commonly experience problems; many would be likely to appreciate and use a guide designed just for them.

A sound-filmstrip overview of personal and family financial planning. A film-

strip could cover some of the common strands of personal and family financial planning, as does the one developed at the University of South Florida (1979) under the auspices of the American Council of Life Insurance. In addition, it should have frames showing particular educators how to apply personal and family financial planning concepts and approaches to their own work. Examples of significant groups to address include superintendents of schools, curriculum personnel, principals, teachers, and the general public. If the filmstrip shows financial planning capable of providing an exemplar in all levels of education, it will increase the probability of widespread infusion into both education personnel development and grades K-12. The filmstrip should not reduce the individual educator's responsibility for adapting concepts and approaches to specific situations. The filmstrip could be one way of sharing the best thinking of many persons who have had time and resources for extended research, study, and experimentation. Educators are not likely to spend large blocks of time on one subject, such as financial planning, nor should they. They want a point of departure in planning their own curriculum. A filmstrip could provide a conceptual map to encourage them to take to the road in creating their own version of a good curriculum that includes sound personal and family financial planning.

A sound filmstrip on using personal and family financial planning in education personnel development programs. Teacher educators are pressed to infuse their programs with many special topics. At the same time they are pressured to prepare teachers competent in the basics. To get much personal and family financial planning into teacher education programs, it is important to depict it as a useful exemplar of how to infuse special content that increases relevance and interest. A good filmstrip on personal and family financial planning could demonstrate ways of incorporating energy education, environmental education, citizenship education, and others into teacher education.

A sound filmstrip on values clarification. Deciding how to spend money involves values: what is important to whom; what gets priorities; what gets neglected in order to do other things. Educators should learn the processes of values clarification and how to help young citizens clarify their own values without indoctrination or pressure. The nature of decisions that we all face today will change; learning how to make decisions is a lifetime asset. Helping educators and, through them, students master clarification of values related to personal and family financial planning is a means of promoting values clarification in other matters.

All the filmstrips should be valuable without printed materials, but they would be more effective with guides for teachers. The guides should include camera-ready versions of the frames—for use by

teachers who would like to reproduce them as paper study materials or as transparencies. The guides should include numerous supplementary ideas on activities that can increase the impact of the filmstrips.

Options for Action: Recommendations for Different Groups

There are a number of options for different groups that have an interest in personal and family financial planning. The following list is suggestive rather than definitive.

Options for Publishers and Trade Associations

First, publishers and trade associations might prepare new materials under the careful guidance of advisory groups. Also, there is value in examining old and new materials together to assure a unified approach to personal and family financial planning, with few gaps and redundancies.

In particular, the camera-ready materials to provide an option to the sound filmstrips should have substance validated by advisory committees and consultants and reflect the best techniques of the graphic artist. They should include both display type and the artist's conception of the substance. They could be photocopied and used as handouts, converted into slides or transparencies, or used as lecture notes. This is a cost-effective way to get good materials out without the considerable expense of preparing mediated materials and setting up a distribution system.

Continued involvement of publishers and trade associations in the meetings and other activities of professional associations is a good way to reach the critical leadership of different professional groups.

Continued efforts to build the knowledge base, build networks of interested committed persons, produce print and mediated materials, and develop workshops and conferences focused on personal and family financial planning, are strongly encouraged. The collective impact of these activities can be considerable, for the activities tend to reach those who are interested and who are involved or would like to be. In a sense they constitute a professional yeast, the ferment for action.

A carefully planned and executed effort is needed to create understanding among education editors and, where possible, those who work for commercial print and broadcast media. Occasional newsletters, news releases, and news conferences can be productive stimuli of news items, articles, and announcements of new products. Uniqueness and generalizability of materials and ventures can be stressed. Efforts to reach the editors of specialty newsletters and journals have to be tailored because editors are swamped with newsletters and news

releases. Tailoring materials to selected mailing lists is important if publishers' and trade associations' public information activities are to be as effective as possible.

Initiatives could be taken to create a network of staff persons in compatible trade associations. A number of trade associations carry on education programs. They have much in common although there are numerous differences. It could be productive to convene a group of staff persons of trade groups that seem to have high standards for their education endeavors. Concepts, methods, and materials could be shared. A network could be established to serve as the basis of exchanging materials, arranging meetings, and developing staff development activities. Caution is in order. Too many groups are formed and are continued without careful goal setting. To the extent that a network could clarify concepts, approaches, and materials development along sound educational lines, there is a possibility that all would benefit. Their materials and approaches could improve. There could be a greater tendency for the education community to deal with the collective entity of trade associations that have education programs. They could create a critical mass with potential for impact. As they developed criteria for educational effectiveness, ethical standards for materials and efforts, and visibility based on their collective support of education, the work of each could be strengthened.

Implicit in all the previous suggestions is continued business support. That includes more than the essential dollars; it is also important that busy executives contribute their unique knowledge, competence, and insights to the education field.

Options for Education Specialists in the Elementary and Secondary Schools

Supplied with educationally sound and relevant curriculum materials, staff and curriculum specialists in the schools should move to incorporate personal and family financial planning into their programs. They should form partnerships with teacher groups, state education agency personnel, and varied professional and trade groups—local and national—to promote solid financial planning programs. As they include citizens in their planning and as they promote media coverage, they can do much to assure adequate community support.

Curriculum specialists can work financial planning into all academic areas of the secondary schools, where most materials are targeted. There is substance for mathematics, history, economics, and other specialty areas. Existing materials are largely focused on secondary school education, but local specialists can adapt many of them for elementary schools. The foundation for financial planning should be laid there. The young need it, and the elementary school age is a

strategic time to begin.

Options for Professional Education Associations

A basic association responsibility is communicating ideas and information that can improve practice. Personal and family financial planning is a topic of importance. It is appropriate that association communications media and meetings provide some coverage of personal and family financial planning in varied ramifications.

Professional associations should periodically review the role of specialty trade associations. That review could produce guidelines under which business and education leaders can promote productive relationships. The guidelines should encourage educators and business leaders to avoid problems and to attain the greatest common gain. The guidelines should cover both K-12 and teacher education.

Options for State and Federal Government Agencies

State and federal information agencies should include personal and family financial planning content in their information-storage-and-retrieval systems and facilitate tailored retrieval, analysis, and interpretation for different kinds of education personnel.

Government agencies should promote the use of personal and family financial planning in curriculum studies and experiments as well as in education personnel development. Funding of projects, dissemination efforts, workshops, and other professional activities can stimulate financial planning. The fact that government agencies are involved creates interest among media people and increases coverage.

Government agencies should fund some research on financial planning, provide tool-up monies for curriculum projects, and support staff development activities. These incentives could promote considerable activity.

State education agencies should promote active relationships among those involved in financial planning and state economic education councils.

Options for Print and Broadcast Media

The print and broadcast media should provide coverage when significant developments occur in financial planning. In addition, the media should provide background material on personal and family financial planning in order to create public interest and support. The media could help the public gain a focus on inflation, energy crunches, price escalation, personal and family financial options, and so forth. The media could portray financial planning as a basic subject within the schools.

Conclusion

There are questions today about the effectiveness of education. Different groups of people advocate varied approaches to liberal and practical education. That debate will go on. Whatever its direction, it must include personal and family finances. That is a critical aspect of efforts to maintain stability within American families and within the society at large.

With continuing collaboration between the business and education communities, personal and family financial planning education can be maintained. It can change as change is needed. It makes significant contributions in its main arena—the secondary schools—and at the same time it indirectly influences the curriculum of elementary schools.

Personal and family financial planning is essential for the well-being of all. It has always been important, but in these times it takes on a critical nature. The complexities of financial matters lead to despair and declining confidence in the nation's future. Cynicism about the national leadership and health in financial matters compounds the problems. It is time to quicken our pace in personal and family financial planning!

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